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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

January 7, 1931

D-54

WORLD DAIRY PROSPECTS

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THE WORLD SITUATION

The recent sharp decline in the price of butter in domestic markets has brought butter prices in the United States about in line with prices in important foreign markets. Both in domestic and in foreign markets butter prices are now fully 25 per cent lower than a year ago. New Zealand butter in London, however, is lower in price than the Copenhagen quotation or 92-score butter in New York. In the past month butter prices in European markets were maintained, while domestic prices declined sharply. On December 26 the Copenhagen official butter quotation, equivalent to 27.7 cents per pound, and quotations on finest New Zealand salted in London, equivalent to 24.4 cents per pound, were lower than the price of 92-score butter in New York by 2.3 cents and 5.6 cents respectively, according to cabled reports. In early October corresponding margins in favor of New York were 11 cents and 15.5 cents. Since the first of October the New York prices have declined from 40 to 29 cents, while the Copenhagen quotation declined only 2 cents to 27.7 cents per pound.

Domestic supplies of butter have been lighter for the year just ended than for the preceding year. November production, according to preliminary estimates, was the second to show any increase over the corresponding month of 1929, May being the first. Since August, when the production was estimated to have been 12 per cent less than during the previous August, the percentage of decrease has become smaller month by month until November when the output exceeded slightly that of November, 1929. For the 11 months, there was still a decrease of about 4 per cent from the production of the first 11 months of last year. November and early December reports of butter production tend to confirm the indications mentioned in earlier reviews of relatively heavy output during late fall and winter months.

Butter: Estimated production by months, January to November, inclusive, 1929 and 1930

Month	1929 1/	1930 2/	Production 1930 as percentage of 1929
	Pounds	Pounds	Per cent
Jan.	103,519,000	102,982,300	- 0.52
Feb.	99,963,000	97,905,800	- 2.06
Mar.	114,404,000	110,513,300	- 3.41
Apr.	133,684,000	127,881,900	- 4.35
May	175,341,000	177,765,700	+ 1.96
June	192,869,000	182,502,900	- 5.38
July	185,317,000	163,534,400	- 11.76
Aug.	152,192,000	133,600,100	- 12.22
Sept.	123,582,000	119,388,000	- 3.40
Oct.	118,116,000	117,371,800	- 0.64
Nov.	97,186,000	98,137,500	+ 0.97
Total	1,495,173,000	1,431,583,700	- 4.26

Division of Dairy and Poultry Products, Bureau of Agricultural Economics.
1/ Final revised figures.
2/ Preliminary estimates.

While butter prices in important European markets during most of 1930 were from 10 to 24 per cent lower than in 1929, the increase in supplies reaching those markets was not proportionate to the decline in price. Imports of butter into Great Britain and Germany combined during the first eleven months of 1930 amounted to 963,066,000 pounds against 931,676,000 pounds imported during the corresponding period of 1929, an increase of about 3 per cent. Germany alone imported slightly less butter during the latter period while Great Britain received about 5 per cent more than during the eleven months period of 1929. November imports of butter into both Great Britain and Germany were heavier than those of the previous November. Imports into Great Britain amounted to 51,667,000 pounds and 49,923,000 pounds, respectively, and those into Germany amounted to 26,235,000 pounds and 24,471,000 pounds.

Butter: Imports by months into Great Britain and Germany, January - November, 1929 and 1930

Month	1929			1930		
	Great Britain	Germany	Total	Great Britain	Germany	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan...	67,529	30,644	98,173	72,019	24,692	96,711
Feb...	53,982	22,046	76,028	58,655	17,637	76,292
Mar...	67,870	20,506	88,376	63,488	19,400	82,888
Apr...	67,797	18,519	86,316	65,425	21,164	86,589
May...	71,227	23,589	94,816	68,171	23,369	91,540
June..	68,379	22,928	91,307	76,492	23,589	100,081
July..	67,564	26,455	94,019	60,603	33,069	93,672
Aug...	58,982	29,321	88,303	60,875	26,455	87,330
Sept..	41,642	28,439	70,081	55,667	27,337	83,004
Oct...	42,302	27,558	69,860	57,735	29,321	87,056
Nov...	49,923	24,471	74,394	51,667	26,235	77,902
Total 11 mos.	657,197	274,476	931,673	690,797	272,268	963,065

Thus, the prevailing low levels of butter prices in both domestic and foreign markets were reached during a period in which supplies reaching those markets were on the whole comparatively light. Within the last two months, however, the world supply has been increasing with prospects of continued increase both in American and European markets.

Stocks of butter held in cold storage in the United States were lighter on December 1, 1930, than a year earlier, amounting to 87,969,000 pounds and 111,650,000 pounds, respectively. However, these holdings were still 7 million pounds heavier than the previous 5-year average of December 1 stocks.

United States: Stocks of creamery butter and American cheese, December 1, 1928 to December 1, 1930

Date	Butter		Cheese	
	1928-29	1929-30	1928-29	1929-30
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Dec. 1 ...	70,985	111,650	74,325	71,065
Jan. 1 ...	43,783	81,935	68,075	63,478
Feb. 1 ...	24,747	60,230	57,764	53,672
Mar. 1 ...	11,910	46,530	49,546	47,818
Apr. 1 ...	5,532	30,556	45,105	41,922
May 1 ...	5,383	22,957	42,032	39,324
June 1 ...	28,369	50,378	47,641	49,172
July 1 ...	91,962	106,522	62,737	70,186
Aug. 1 ...	151,621	145,061	79,907	88,749
Sept.1 ...	168,952	143,089	86,558	87,221
Oct. 1 ...	158,541	131,489	84,815	85,076
Nov. 1 ...	138,405	109,582	78,058	78,949
Dec. 1 ...	111,650	1/ 87,969	71,065	1/ 70,842

1/ Preliminary.

In Great Britain where official reports covering the first year of storage holdings are now available, stocks of butter in early December were practically the same as a year earlier. On November 20, 1930, these were reported by the Empire Marketing Board as amounting to 17,936,000 pounds. On December 14, 1929, the first report of the Board indicated holdings in cold storage of 20,569,000 pounds. British imports for the eleven months reflect rather closely, therefore, the consumption of imported butter during that period.

United States: Apparent trade output of dairy products, November and January to November, 1929 and 1930 1/

Item	Nov. 1929	Nov. 1930	Percentage change	Jan. - Nov. 1929	Jan. - Nov. 1930	Percentage change
	1,000 pounds	1,000 pounds	Per cent	1,000 pounds	1,000 pounds	Per cent
Butter.....	159,647	154,987	- 2.9	1,970,054	1,959,361	- 0.5
Cheese.....	42,877	40,035	- 6.6	521,826	512,733	- 1.7
Cond. and evap milk ..	122,934	143,503	+ 16.7	1,875,185	1,803,302	- 3.8
Total milk eq	4,088,692	4,013,688	- 1.8	51,277,357	50,782,166	- 1.0

Division of Dairy and poultry Products, Bureau of Agricultural Economics.
1/ Includes production, changes in stocks and net imports and exports.

The foreign trade of the United States was subject to only slight change during November from that of the previous month or a year ago. The most notable development is the continued falling off in importation of Canadian cream and milk as compared with previous years.

United States: Imports and exports of dairy products, November 1929 and October and November 1930

Item	Unit	Imports 1929 Nov.	Imports 1930 Oct.	Imports 1930 Nov.	Exports 1929 Nov.	Exports 1930 Oct.	Exports 1930 Nov.
Butter.....	lbs	113,382	61,326	101,251	251,098	178,104	154,118
Cheese.....	"	6,902,438	6,325,023	5,041,096	129,327	183,214	107,854
Milk -							
Condensed..	"	12,648	50,263	127,000	2,770,232	1,718,347	1,973,308
Evaporated	"	134,340	858	148	4,766,989	4,718,305	4,365,707
Fresh.....	gals	212,648	60,157	118,350	(18,732	17,496	18,657
Cream, fresh	"	140,696	158,925	93,580	(		

Southern Hemisphere supplies increasing

Arrivals of butter from New Zealand and Australia into Great Britain which amounted during November to 26,846,000 pounds were expected to be increased during December to more than 35,000,000 pounds, according to the Empire Marketing Board in a statement as of December 5. This would be not only a seasonal increase but a heavy increase over December of last year when only 26,376,000 pounds arrived from those sources.

Despite some need of rain in parts of Australia, production is being maintained at a level substantially above that of last season, according to latest reports.

Australia: Gradings and exports of butter, August - November, 1929 and 1930

Month	Gradings		Exports	
	1929	1930	1929	1930
	Pounds	Pounds	Pounds	Pounds
Aug.	1,942,080	4,148,480	1,447,040	3,487,680
Sept.	4,211,200	8,030,400	3,012,800	6,314,560
Oct.	12,178,880	18,988,480	9,638,720	15,095,360
Nov.	15,821,120	20,153,280	13,538,560	18,576,320

Data from Weekly Dairy Produce Notes, published by Empire Marketing Board.

In New Zealand, the quantity of butter graded during the first four months of the current season, August - November, was over 4 per cent larger than in the corresponding months of 1929, and cheese gradings were 11 per cent heavier. New Zealand gradings of butter during November, while exceeding October gradings, were for the first time this season less than during the corresponding month of the previous season. Cheese gradings continued to show increase.

New Zealand: Butter and cheese graded, by months, August - November, 1929 and 1930

Month	Butter		Cheese	
	1929	1930	1929	1930
	Pounds	Pounds	Pounds	Pounds
Aug.	6,605,760	6,805,120	1,173,760	1,447,040
Sept.	13,646,080	16,623,040	7,987,840	10,832,640
Oct.	25,023,040	25,742,080	19,311,040	22,010,240
Nov.	30,914,240	30,329,600	26,857,600	27,191,360
Total 4 mos.	76,189,120	79,499,840	55,330,240	61,481,280

Data from Empire Marketing Board.

Butter: Shipments afloat from southern hemisphere souces on December 11, 1930, with comparisons

From	Dec. 8, 1928	Dec. 7, 1929	Dec. 11, 1930
	Pounds	Pounds	Pounds
New Zealand.....	25,368,000	16,240,000	26,320,000
Australia.....	12,600,000	12,768,000	19,096,000
Argentina.....	3,920,000	1,736,000	4,480,000
Total.....	41,888,000	30,744,000	49,896,000

Data from cabled reports of American Agricultural Attache, A. E. Foley in London.

Butter: Price per pound in New York, Copenhagen, Berlin and London for one day each week during December 1930, with comparisons

Market and description	1930						1929
	Nov.20	Nov.27	Dec. 4	Dec.11	Dec.18	Dec.25	Dec.26
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score....	34.5	34.0	36.5	33.0	30.0	1/29.0	40.0
Copenhagen, official quotation.....	27.5	25.5	25.5	27.7	27.7	1/27.7	36.9
Berlin, la quality....	29.6	29.6	27.7	29.8	30.5	-	35.9
London - 1/							
Danish.....	30.2	28.5	28.5	30.6	30.4	30.2	38.2
Dutch, unsalted.....	31.5	29.8	28.0	30.4	31.1	31.1	2/
New Zealand.....	23.2	21.9	22.6	24.8	24.1	24.4	35.0
New Zealand, unsalted	31.9	27.6	24.6	25.6	25.0	25.0	39.8
Australian.....	22.4	21.2	22.2	24.1	23.7	23.9	33.9
Australian, unsalted	26.3	25.2	23.5	24.3	24.1	23.2	35.0
Argentina.....	23.1	21.5	22.6	23.5	23.5	21.9	32.4

Conversions to United States currency at par of exchange.

1/ Quotations as of following day.

2/ No quotations.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

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February 11, 1931

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WORLD DAIRY PROSPECTS

THE WORLD SITUATION

Heavy domestic production of butter and a sharp decline in prices during December have been followed to date by settled low prices at nearly the same level as those prevailing in European markets. The margins in favor of domestic prices prevailing during January and early February are the narrowest that have been reached during mid-winter in any recent year, a situation resulting principally from the marked decline in domestic prices. Butter prices in important European markets made about the usual decline in January from the high point reached before the Christmas holidays. The Copenhagen butter quotation averaged the equivalent of 27.3 cents during December and 1 cent lower during January. Since this is the season of normally widest margins in favor of domestic prices and of heaviest importation for the year, the present situation is indicative of another season of very light importation.

Imports of dairy products into the United States were materially lighter during 1930 than 1929 in all the important products. Particularly is this the case in cream and milk from Canada, imports of which fell off by one-half. Details of the import and export trade of the United States during the past month and year with comparisons are summarized below.

United States: Imports and exports of dairy products, specified months and years, 1929-30.

Item	Unit	Imports				
		1929		1930		
		Dec.	Calendar year	Nov.	Dec.	Calendar year
Butter	lbs.	127,565	2,772,746	101,251	97,015	2,472,157
Cheese	"	7,015,086	76,381,795	5,041,096	5,236,991	68,310,716
Milk						
Condensed	"	14,098	620,423	127,000	24,106	1,400,551
Evaporated	"	95,017	2,013,634	148	100	210,544
Powdered	"	-	4,185,675	-	-	3,145,065
Fresh	gals.	250,597	4,245,833	118,350	71,091	1,837,483
Cream, fresh	"	110,262	2,969,889	93,580	49,958	1,585,456
		Exports				
		1929		1930		
		Dec.	Calendar year	Nov.	Dec.	Calendar year
Butter	lbs.	250,235	3,724,245	154,118	188,046	2,954,023
Cheese	"	241,433	2,646,009	107,854	175,912	1,964,138
Milk						
Condensed	"	3,100,045	41,242,812	1,973,308	1,906,774	29,648,190
Evaporated	"	5,339,148	68,942,613	4,365,707	4,545,721	60,810,993
Powdered	"	-	5,342,301	-	-	6,223,284
Fresh	gals.	(	(	(	(	(
Cream, fresh	"	18,869	180,217	18,657	12,002	188,648

Domestic production of creamery butter was nearly 4 per cent lighter during the year 1930 than in 1929, according to preliminary estimates. December production, on the other hand, was more than 4 per cent heavier than that of the previous December, reflecting the relatively heavy winter output anticipated in recent reviews. Scattered preliminary reports for January indicate that production is continuing to increase over the previous season to date. The December increase over a year ago was particularly notable in Illinois, Indiana, Ohio, Pennsylvania, Michigan, and Wisconsin. A summary of monthly production of creamery butter during 1929 and 1930 is given below with comparisons on a percentage basis for the United States as a whole.

Creamery butter: Estimated production in United States by months, 1929-1930

Month	1929 1/	1930 2/	1930 as percentage of change from 1929
	1,000 pounds	1,000 pounds	Per cent
Jan.	103,519	102,982	- 0.52
Feb.	99,963	97,906	- 2.06
Mar.	114,404	110,513	- 3.41
Apr.	133,684	127,882	- 4.35
May	175,341	177,766	+ 1.96
June	192,869	182,503	- 5.38
July	185,317	163,534	- 11.76
Aug.	152,192	133,600	- 12.22
Sept.	123,582	119,388	- 3.40
Oct.	118,116	117,372	- 0.64
Nov.	97,186	98,138	+ 0.97
Dec.	101,854	106,181	+ 4.24
Total	1,597,027	1,537,765	- 3.72

Division of Dairy and Poultry Products, Bureau of Agricultural Economics.
1/ Final revised figures.
2/ Preliminary estimates.

Stocks of butter held in cold storage in the United States were lighter on January 1, 1931, than a year earlier, amounting to 63,349,000 pounds and 81,935,000 pounds, respectively. However, these holdings were still 11.5 million pounds heavier than the previous 5-year average of January 1 stocks. Stocks of American cheese were practically the same as a year ago, and only slightly larger than the 5-year average.

United States: Stocks of creamery butter and American cheese, first of each month, January 1929 - January 1931

Date	Butter		Cheese	
	1929-30	1930-31	1929-30	1930-31
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan. 1	43,783	81,935	68,075	63,478
Feb. 1	24,747	60,230	57,764	53,672
Mar. 1	11,910	46,530	49,546	47,818
Apr. 1	5,532	30,556	45,105	41,922
May 1	5,883	22,957	42,032	39,324
June 1	28,369	50,378	47,641	49,172
July 1	91,962	106,522	62,737	70,186
Aug. 1	151,621	145,061	79,907	88,749
Sept. 1	168,952	143,089	86,558	87,221
Oct. 1	158,541	131,489	84,815	85,076
Nov. 1	138,405	109,582	78,058	78,949
Dec. 1	111,650	88,012	71,132	70,842
Jan. 1	81,935	1/ 63,349	63,478	1/ 63,362

1/ Preliminary.

Imports of butter into Great Britain and Germany by months from January to December, 1929 and 1930 as summarized below, show an increase of about 4 per cent.

Butter: Imports by months into Great Britain and Germany, 1929-1930

Month	Calendar year 1929			Calendar year 1930		
	Great Britain	Germany	Total	Great Britain	Germany	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	67,529	30,644	98,173	72,019	24,692	96,711
Feb.	53,982	22,046	76,028	58,655	17,637	76,292
Mar.	67,870	20,506	88,376	63,488	19,400	82,888
Apr.	67,797	18,519	86,316	65,425	21,164	86,589
May	71,227	23,589	94,816	68,171	23,369	91,540
June	68,379	22,928	91,307	76,492	23,589	100,081
July	67,564	26,455	94,019	60,603	33,069	93,672
Aug.	58,982	29,321	88,303	60,875	26,455	87,330
Sept.	41,642	28,439	70,081	55,667	27,337	83,004
Oct.	42,302	27,558	69,860	57,735	29,321	87,056
Nov.	49,923	24,471	74,394	51,667	26,235	77,902
Dec.	60,342	21,826	82,168	73,986	21,384	95,370
Total	717,539	296,302	1,013,841	764,783	293,652	1,058,430

The course of prices, monthly, from January, 1929 to January, 1931, as reviewed in the following Table serves to show the comparatively marked decline in domestic as against foreign prices on closely comparable grades of butter.

Butter: Average price per pound of 92 score in New York, Danish at Copenhagen, and finest New Zealand in London, by months 1929 - 1931

Month	Calendar year 1929			Calendar year 1930			Calendar year 1931		
	New York, 92 score	London, Finest, New Zealand	Copenhagen, Danish	New York, 92 score	London, Finest, New Zealand	Copenhagen, Danish	New York, 92 score	London, Finest, New Zealand	Copenhagen, Danish
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan.	47.94	40.11	39.10	36.63	33.84	31.95	28.50	25.10	26.70
Feb.	49.89	37.64	39.00	35.70	32.72	35.28			
Mar.	48.45	36.30	35.50	37.27	29.98	31.70			
Apr.	45.35	35.79	32.80	38.53	27.40	27.38			
May	43.54	36.06	33.40	34.85	28.05	26.33			
June	43.54	36.82	35.10	32.93	28.79	27.66			
July	42.42	37.20	35.30	35.24	29.57	30.29			
Aug.	43.45	37.42	35.60	38.92	28.98	29.28			
Sept.....	46.22	38.61	39.70	39.77	27.59	29.86			
Oct.	45.56	39.29	40.50	39.98	25.26	30.09			
Nov.	42.70	37.48	38.70	36.09	22.38	27.23			
Dec.	41.10	35.25	35.80	32.18	24.52	27.28			

Division of Statistical and Historical Research. Compiled as follows: New York, from reports of the Division of Dairy and Poultry Products, Bureau of Agricultural Economics; London, from the London Grocer, weekly, Copenhagen, from Smor Tidende (Danish Butter Journal), conversion at par of exchange.

Heavy supplies now reaching Great Britain

Imports of butter into Great Britain during December amounted to 73,986,000 pounds, the heaviest receipts in any month of the year except June, and 22 per cent heavier than in the previous December. Early January imports were running well above those of a year ago. Danish supplies were at about the same level as a year ago with much of the increase attributable to heavier receipts from the Southern Hemisphere.

Quotations in London continue lower on Colonial than on continental butters. On January 29 Danish averaged 30.0 cents a pound or 5.4 cents higher than finest New Zealand. On January 30, 1930, the margin was 4 cents in favor of Danish.

The lower prices prevailing during this season are reported to have resulted in increased consumption and, according to the latest cabled report as of February 6, the London market continued firm. During the four weeks ended January 10, 1930, the movement into consumption, as estimated by the Empire Marketing Board, amounted to 67,956,000 pounds which is a third more than during the four weeks ended January 11, 1930, when the movement into consumption is estimated to have been 50,409,000 pounds.

Stocks of butter held in cold storage in Great Britain amounted on January 10 to 13,106,000 pounds compared with 15,457,000 pounds a month earlier and 18,203,000 pounds on the corresponding date of last year.

Arrivals in Great Britain of butter from New Zealand, Australia, and Argentina from January 2-29, 1931, were estimated as amounting to 47,290,000 pounds against actual arrivals during the corresponding four weeks of last season of 38,597,000 pounds.

Lessened foreign demand in Germany

Germany imported only 21,384,000 pounds of butter during December a decline of 18 per cent from the 26,235,000 pounds imported in November. Increased home production usually causes considerable lessening of importation at this season. In addition to the greater independence of foreign supply at this time, however, the higher tariff on butter equivalent to about 5½ cents per pound, effective since November 27, 1930, has doubtless had at least a temporary effect on importation since that time. For the 12 months ended December 31, 1930, imports of butter into Germany totalled 293,652,000 pounds or about 1 per cent less than during 1929 when 296,302,000 pounds were imported.

Denmark exports more butter with less value in 1930

The exportation of butter from Denmark during 1930 amounted to 373,255,000 pounds against 350,616,000 pounds in 1929, according to preliminary figures published in The Danish Butter Journal, Smor Tidende, January 16,1931. Total value of the butter exported was less, however, than in the previous year, amounting to 438,600,000 kroner and 502,400,000 kroner, respectively. These values are equivalent at par of exchange to 31.5 cents per pound in 1930 against 38.4 cents per pound in 1929. Thus, while the quantity of butter exported during the year just ended was 6.1 per cent greater, the average price was 18.5 per cent lower than in 1929.

Canadian butter production greatly increased

Heavy fall and winter output of butter is reported from important butter-producing sections of Canada. Official estimates of creamery production during and since October 1930 indicate increases over corresponding months of 1929 varying from 5 per cent to 62 per cent. Ontario, which supplies about a third of the Canadian butter output, produced during October,16 per cent more than a year ago and an excess of 10 per cent for the ten months, January to October. Total creamery butter production in Canada during 1929 was only 1.6 per cent heavier than in the preceding year. Storage holdings of creamery butter in all Canada amounting on December 1, 1930 to 28,727,948 pounds, were 61 per cent heavier than on December 1, 1929. Stocks of cheese were heavier by 19 per cent, amounting to 16,914,627 pounds and 14,206,948 pounds, respectively.

New Zealand production continues heavier than last season.

The total butterfat production from August to November, inclusive, is officially estimated to have exceeded that of the first four months of the 1929-30 season by 6.09 per cent. Cheese production during early January was being increased more than butter production, though both were continuing to run heavier than in corresponding weeks of last season. The receipts into grading store from November 30 to January 10 amounted to 43,624,000 pounds of butter and 46,040,000 pounds of cheese. Receipts for the corresponding period of the previous season were 42,956,000 pounds of butter and 41,358,000 pounds of cheese.

Australian butter production checked by unfavorable weather

Production in much of the Australian dairy region is now stationary or declining. Aside from the seasonal influence upon dairy output at this time of year, dry, hot weather is reported as further retarding production in most of the dairy States. In Victoria, favorable weather conditions prevailed, according to latest reports, but production is declining seasonally. Gradings and exports continued into early January to run somewhat heavier than during the corresponding weeks of the preceding season.

Shipments of butter afloat as of January 29, 1931, from New Zealand, Australia, and Argentina were reported as amounting to 47,096,000 pounds against 45,248,000 pounds a month earlier and 32,816,000 pounds on the same date last season.

Butter: Price per pound, in New York, Copenhagen, Berlin and London, for one day each week during January, 1931 with comparisons

Market and description	1931						1930
	Jan.1	Jan.8	Jan.15	Jan.22	Jan.29	Feb.5	Feb. 6
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score	1/28.5	28.5	28.0	29.0	29.0	27.0	36.0
Copenhagen, off.quot.	1/27.7	26.5	26.0	26.0	27.3	27.2	36.2
Berlin, 1A quality	30.5	29.0	28.3	28.3	29.8	30.2	34.1
London: 1/							
Danish	30.6	29.2	28.2	28.7	30.0	30.8	38.5
Dutch, unsalted	33.7	31.5	30.2	30.6	31.1	32.8	40.7
New Zealand	25.6	25.2	25.0	25.0	24.6	25.0	33.3
" " unsalted	25.8	24.8	25.6	25.6	25.2	25.6	36.8
Australian	24.8	24.3	23.7	24.0	23.9	24.4	32.6
" unsalted	25.0	24.8	24.3	24.3	24.2	24.8	33.3
Argentine	23.7	24.1	24.1	24.1	24.1	24.6	32.4

1/ Quotations of following day.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

D-56

March 20, 1931

WORLD DAIRY PROSPECTS

Summary

Butter prices have advanced materially since the first of February in both domestic and foreign markets and a close parity has continued between them. The strengthening of the markets has resulted from improved demand rather than from decreases in supply. January was a month of record production in the United States and heavier arrivals in Great Britain than in January of either of the past two years. Germany on the other hand, took unusually small supplies of foreign butter, demand having continued to be affected unfavorably by the prevailing economic conditions. Stocks of butter are being well cleared for this time of year in the United States and in Great Britain. Prices, generally, are apparently at such a low level as to stimulate consumption both at home and abroad.

Domestic butter production increasing

Domestic butter production has continued to show a cumulative rate of increase each month since November, as compared with the preceding winter. Creamery production, according to preliminary estimates, amounted to 98,133,000 pounds in November, 106,181,000 pounds in December and 112,843,000 pounds in January. The latter is the largest January output on record. These quantities represent increases over corresponding months of the preceding year of 0.97 per cent, 4.24 per cent, and 6.69 per cent, respectively. Production of cheese is estimated to have been 10 per cent less during January than a year ago, condensed milk 16.5 per cent less, and evaporated milk 12.3 per cent heavier. The total milk equivalent of these products and of farm butter is estimated to have been 3.6 per cent greater during January of this year than last. Estimates of monthly creamery butter production during the past 12 months with comparisons are shown on the following page.

Creamery butter: Estimated production in United States by months, 1929-30 to 1930-31

Month	1929-30 1/	1930-31 2/	Percentage change from 1929-30 to 1930-31
	1,000 pounds	1,000 pounds	Per cent
Feb.	99,963	97,906	- 2.06
Mar.	114,404	110,513	- 3.41
Apr.	133,684	127,882	- 4.35
May	175,341	177,766	+ 1.96
June	192,869	182,503	- 5.38
July	185,317	163,534	- 11.76
Aug.	152,192	133,600	- 12.22
Sept.	123,582	119.388	- 3.40
Oct.	118,116	117,372	- 0.64
Nov.	97,186	98,138	+ 0.97
Dec.	101,854	106,181	+ 4.24
Jan.	105,767	112,843	+ 6.69

Division of Dairy and Poultry Products, Bureau of Agricultural Economics.
1/ Final revised figures.
2/ Preliminary estimates.

The manufacture of dairy products as estimated for January are shown below in comparison with January of last year.

Estimated production of various dairy products, January, 1930 and 1931

Product	Jan. 1930	Jan. 1931	Percentage change
	1,000 pounds	1,000 pounds	Per cent
Creamery butter	105,767	112,843	+ 6.7
Farm "	34,941	34,328	- 1.3
Cheese	30,490	27,543	- 9.9
Condensed milk	27,974	23,358	- 16.5
Evaporated "	105,467	118,439	+ 12.3
Total milk equivalent	3,593,370	3,720,974	+ 3.6

Division of Dairy and Poultry Products, Bureau of Agricultural Economics.

The apparent trade output in the United States during January showed the greatest increase over a year ago in evaporated milk and a marked decrease in cheese. On manufactured dairy products as a whole the trade output was practically the same as in January, 1930, with total stocks in terms of milk equivalent on February 1 lower than a year ago by about 14 per cent. The only products showing heavier stocks in storage were cheese and dry skim milk.

United States: Stocks of creamery butter and American cheese, first of each month, February 1929 - February 1931

Date	Butter		Cheese	
	1929-30	1930-31	1929-30	1930-31
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Feb. 1	24,747	60,230	57,764	53,672
Mar. 1	11,910	46,530	49,546	47,818
Apr. 1	5,532	30,556	45,105	41,922
May 1	5,883	22,957	42,032	39,324
June 1	28,369	50,378	47,641	49,172
July 1	91,962	106,522	62,737	70,186
Aug. 1	151,621	145,061	79,907	88,749
Sept. 1	168,952	143,089	86,558	87,221
Oct. 1	158,541	131,489	84,815	85,076
Nov. 1	138,405	109,582	78,058	78,949
Dec. 1	111,650	88,012	71,132	70,842
Jan. 1	81,935	63,349	63,478	63,362
Feb. 1	60,230	1/ 46,771	53,672	1/ 54,511

1/ Preliminary.

Prices during January and February averaged higher on best Danish butter in London than on 92 score in New York by 2.0 cents and 3.5 cents per pound, respectively. Last winter prices were also higher in London by nearly the same amount during these two months. February is normally a month of lighter importation of butter into Great Britain than any except the three fall months, September, October, and November. Heavier supplies arrived during January, however, than in either of the two last years and the margin in favor of European markets at this time is more largely due to the abnormally low domestic prices prevailing than to any notable strength of European markets. At the end of February, the domestic price of 29.0 cents (on 92 score in New York) was 15 per cent lower than a year ago while on the London market, Danish was 17 per cent lower and New Zealand 11 per cent lower than on the corresponding day of last year.

Under the conditions prevailing as to foreign and domestic price relationships, such slight United States foreign trade in butter as is taking place, is predominantly export trade, as was the case last winter under similar price conditions.

The most notable development in our foreign trade in dairy products during January was the unprecedented falling off in imports of cream and milk from Canada. Only 17,687 gallons of cream were imported into the United States during January, the lowest point to which cream imports have fallen during the marked decline resulting from the recent combination of low domestic prices and higher tariffs. Even cheese imports, the most stable of any of the separate dairy products imports, declined to 4,123,000 pounds from 5,237,000 pounds in December and 5,361,000 pounds in January, 1930. Exports of condensed and evaporated milk were maintained during January at just about the same volume as a year ago, as shown in the summary Table on the following page.

United States: Imports and exports of dairy products, January and December, 1930 and January, 1931

Item	Unit	Imports 1930 Jan.	Imports 1930 Dec.	Imports 1931 Jan.	Exports 1930 Jan.	Exports 1930 Dec.	Exports 1931 Jan.
Butter.....	Lbs.	132,729	97,015	110,318	311,596	188,046	222,081
Cheese.....	"	5,360,561	5,236,991	4,122,643	181,453	175,912	128,540
Milk:							
Condensed	"	12,640	24,106	113,405	2,623,224	1,906,774	2,403,317
Evaporated	"	112,463	100		5,839,460	4,545,721	5,269,123
Fresh.....	Gals.	160,673	71,091	63,462	17,092	12,002	11,286
Cream: Fresh	"	52,743	49,958	17,687			

Foreign demand in Great Britain stronger than in Germany

British markets are absorbing heavy supplies into current trade, the lower prices, according to all indications, having had the effect of stimulating consumption. Germany, on the other hand, took much less foreign butter during January than is usual even at this season of light importation into that country. The higher tariff on butter entering Germany since November 27, equivalent to 5½ cents a pound, has had the effect of diverting some of the supply that would otherwise have gone to Germany either directly to or through Great Britain to other European countries including Switzerland, Belgium, France, and the Irish Free State.

Despite the heavy butter imports into Great Britain of 75,645,000 pounds in January and the nearly equal importation of 73,986,000 pounds in December, stocks of butter held in Great Britain were lighter at the end of January than a year earlier. On January 24, 1931, these amounted to 16,873,000 pounds, compared with the holdings of 25,975,000 pounds on January 25, 1930, according to figures of the Empire Marketing Board.

Germany imported about 30 per cent less butter in January, 1931, than a year ago at prices about 10 per cent lower. This is the season of lightest importation of butter into Germany, and January imports were unusually light, amounting to 17,196,000 pounds against 24,692,000 pounds in January, 1930, and 30,644,000 pounds in January, 1929. Clearly, the German market is not at present contributing much strength to the foreign market situation.

Butter: Imports by months into Great Britain and Germany, 1929-1931

Month	1929			1930			1931		
	Great Britain	Germany	Total	Great Britain	Germany	Total	Great Britain	Germany	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan..	67,529	30,644	98,173	72,019	24,692	96,711	75,645	17,196	92,841
Feb..	53,982	22,046	76,028	58,655	17,637	76,292			
Mar..	67,870	20,506	88,376	63,488	19,400	82,888			
Apr..	67,797	18,519	86,316	65,425	21,164	86,589			
May..	71,227	23,589	94,816	68,171	23,369	91,540			
June.	68,379	22,928	91,307	76,492	23,589	100,081			
July.	67,564	26,455	94,019	60,603	33,069	93,672			
Aug..	58,982	29,321	88,303	60,875	26,455	87,330			
Sept.	41,642	28,439	70,081	55,667	27,337	83,004			
Oct..	42,302	27,558	69,860	57,735	29,321	87,056			
Nov..	49,923	24,471	74,394	51,667	26,235	77,902			
Dec..	60,342	21,826	82,168	73,986	21,384	95,370			
Total	717,539	296,302	1,013,841	764,783	293,652	1,058,430			

Butter exports larger from Denmark and Sweden, lighter from Netherlands

Danish butter exports showed continued increase through 1930 with a total for the year of 372,554,000 pounds against 350,616,000 pounds in 1929. Exports from Sweden, according to unofficial sources, amounted to 58,856,000 pounds in 1930 against 54,982,000 pounds in 1929. From the Netherlands, on the other hand, less was exported in 1930 than in 1929, unofficial figures indicating a decline from 104,324,000 pounds to 92,393,000 pounds. Exports from Denmark by months during recent years and to date are shown below.

Denmark: Exports of butter, by months, January, 1929, to date

Month	1927	1928	1929	1930	1931
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan...	24,519	24,725	27,281	31,069	1/ 32,622
Feb...	20,706	23,929	25,138	26,198	
Mar...	26,280	27,509	26,594	28,395	
Apr...	24,069	24,140	31,358	29,596	
May...	29,482	29,241	33,267	37,663	
June..	33,260	31,538	32,652	34,372	
July..	28,970	30,171	31,387	34,933	
Aug...	26,649	29,428	33,592	30,496	
Sept..	27,294	25,724	28,338	31,308	
Oct...	23,162	25,749	26,349	32,190	
Nov...	23,048	28,436	28,915	27,653	
Dec...	27,181	25,121	27,745	28,681	
Total.	314,620	325,711	350,616	372,554	

Official sources except for latest month which is from the Danish Butter Trade Journal, Smor Tidende.

1/ Preliminary.

Less New Zealand butter than a year ago

Since the middle of January, gradings of butter in New Zealand have been somewhat lighter than during the corresponding period of the previous season. Cheese gradings have been heavier. Comparative figures are given below covering December, January, and February to date of latest information as published by the Empire Marketing Board.

New Zealand: Receipts of butter and cheese into grading stores

Week ended	Butter 1/		Cheese 1/	
	1929-30	1930-31	1929-30	1930-31
Dec. 6	7,504	7,392	6,922	7.543
13	7,280	7,420	6,922	7,602
20	7,112	7,504	7,224	8,014
27	6,776	6,720	6,216	6,518
Jan. 3	7,168	7,392	6,972	7,190
10	7,112	7,196	7,123	9,173
17	6,720	6,700	6,720	7,358
24	6,664	6,100	6,468	6,974
31	5,992	5,880	6,300	7,015
Feb. 7	6,160	6,104	6,317	7,056
14	6,160	5,936	6,132	6,434

1/ Calculated on the basis of 56 pounds per box of butter and 168 pounds per crate of cheese.

Allocations for shipment of butter and cheese from New Zealand were made provisionally by the New Zealand Dairy Export Control Board at their meeting on December 5 for the remainder of the season as follows:

	Butter Boxes	Cheese Crates
January	484,000	180,000
February	407,000	129,000
March	300,000	150,000
April	300,000	150,000
May	300,000	140,000
June	300,000	130,000
July	254,000	105,000

Some recovery in Australian butter production

Butter production in Australia had begun a marked seasonal decline in late January. More recent rains have resulted in recovery to a higher level, gradings for the week ended February 7 having risen above the previous week and reached the same total as for the corresponding week of last year. Exports of butter from Australia have continued to run ahead of the corresponding period of last season. Arrivals of

Australian butter in Great Britain, according to the Empire Marketing Board, amounted to 2,256,000 pounds during the week ended February 19. Arrivals were expected to amount to about 3,000,000 pounds during the week ended February 26 and to continue at about that level until the middle of March.

Notable increase in butter production in Canada

The Canadian butter production in 1930 showed an unusual increase over that of the previous year, the rate of increase apparently having been greater at the end of the year and continuing to increase to date. In 1929, the output was 1.6 per cent heavier than in the preceding year, according to preliminary but complete reports from the various provincial governments. For 1930, reports from all the provinces but British Columbia and Prince Edward Island, which in 1929 together produced about 97 per cent of the total, indicate an increase of 5.2 per cent over that of the same provinces in 1929. Increases reported for December and January over corresponding months a year earlier were quite phenomenal, the prairie provinces showing increases of from 57 per cent to 77 per cent. Ontario production was increased from 59 million pounds in 1929 to 62 million pounds in 1930, or 5 per cent for the year and 33 per cent in December over that of December, 1929. In Quebec, butter production was increased from 57,569,163 pounds in 1929 to 62,146,851 pounds in 1930, an increase for the year of 8 per cent.

Much lessened exportation of cream and milk to the United States during the latter part of 1930 and to date, together with the recent increase in the Canadian import duty on New Zealand butter from 4 cents to 8 cents per pound have contributed to stimulate butter production in Canada. It is probable in view of the recent developments noted that Canada may soon again be on an export basis for butter, and butter prices within Canada may be forced down to the outside level of prices. At present, imported butter is required, by a recent Government regulation, to retail at a minimum price of 32 cents per pound. Stocks of creamery butter on hand in Canada on February 1, 1931 amounted to 16,629,486 pounds against 13,653,045 pounds on February 1, 1930, an increase of 21.8 per cent. Cheese stocks, representing an increase of 41.2 per cent, were 14,575,525 pounds and 10,317,278 pounds, respectively.

Butter: Price per pound in New York, Copenhagen, Berlin, and London for one day each week during specified dates 1930-31

Market and Description	1931						1930
	Feb.5	Feb.12	Feb.19	Feb.26	Mar.5	Mar.12	Mar.13
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score	27.0	1/28.5	29.0	29.0	28.5	29.0	37.8
Copenhagen, off. quot.	27.2	31.4	29.9	28.4	28.2	28.2	31.8
Berlin, 1L quality	30.2	32.4	32.4	30.7	30.7		30.7
London: 1/							
Danish	30.8	33.7	32.4	31.1	30.6	30.6	34.5
Dutch, unsalted	32.8	32.8	33.2	31.5	29.8	28.7	34.8
New Zealand	25.0	26.5	26.6	28.0	26.5	25.8	30.5
" " unsalted	25.6	27.4	27.8	27.8	27.6	27.4	32.8
Australian	24.4	26.1	26.6	26.2	26.3	25.6	29.5
" unsalted	24.8	26.1	26.9	26.9	26.9	26.7	30.4
Argentine, unsalted	24.6	25.8	26.9	27.2	26.5	25.8	28.9

1/ Quotation of following day.

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

D-57 April 17, 1931

WORLD DAIRY PROSPECTS

Summary

Dairy production in the commercially important dairy countries of the world was heavier during the past winter than in the winter season of the preceding year. Domestic production of manufactured dairy products in terms of their combined milk equivalent, was about 4 per cent heavier than in the preceding winter. Receipts of butter in important European deficit areas were about 6 per cent heavier and of cheese still heavier.

Prices of butter and cheese during March and April to date have declined in foreign markets while continuing comparatively stable in domestic markets. Price relationships, accordingly, have shifted so that the slight margins maintained during the earlier winter months in favor of foreign prices have given way to a more normal relationship with margins, though still slight, in favor of domestic prices.

Consumption of butter has been heavy in the United States, Canada, and Great Britain. Foreign demand from Germany, on the other hand, continues comparatively weak. In practically all the important Cheddar cheese markets, American and European, the lighter consumption of cheese even at the very low prices recently prevailing has resulted in comparatively heavier stocks of cheese than of butter. In New Zealand, some swing from cheese production to butter production has taken place in response to the relatively low cheese prices.

Imports of cream and milk from Canada into the United States have nearly disappeared while United States exports of powdered milk have been notably increased.

Prices relatively well maintained in domestic markets

Prices of butter and cheese have declined considerably in European markets since the first of March, while domestic prices remain to date practically unchanged. As a result, some material margins in favor of domestic prices have again appeared. The Copenhagen butter quotation on April 9 was equivalent to 24.3 cents a pound or 3.7 cents under 92 score in New York, and New Zealand in London equivalent to 24.0 cents or 4 cents under New York. London quotations on New Zealand cheese were equivalent to 11.1 cents a pound on white and 11.6 cents on colored and on Canadian 16.1 cents and 16.5 cents, respectively, against 16.0 cents on American Cheddar (single daisies) in New York. Canadian cheese in London is thus practically the same as American in New York and the decline of 30 per cent from a year ago is the same in both cases, while New Zealand cheese is lower than a year ago by 40 per cent.

Recent prices obtainable for New Zealand cheese have been so low in relation to butter prices as to cause New Zealand producers to turn from cheese production to butter with resulting lower estimates of the prospective cheese output during the remainder of the current season. As compared with prices of a year ago, the prevailing prices on New Zealand products in London are 10 per cent lower on butter and 40 per cent lower on cheese. The seriousness of such low prices is more apparent when it is realized that they are now considerably below pre-war levels on both butter and cheese. At this season of the year, the foreign market for cheese of the American or Cheddar type is dominated by the New Zealand supply selling almost exclusively in Great Britain. Only very small quantities of New Zealand cheese are ever imported directly into the United States. The low prices in London may be expected to have most effect indirectly by influencing the comparative prices obtainable for Canadian cheese in Great Britain and the United States.

Foreign trade of the United States in dairy products during February was notable principally for the further falling off in imports of fresh cream and milk from Canada to almost negligible quantities and for the heavy exportation of various forms of powdered milk.

United States: Imports and exports of dairy products, February 1930 and January and February 1931

Item	Imports			Exports		
	1930	1931		1930	1931	
	Feb.	Jan.	Feb.	Feb.	Jan.	Feb.
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Butter . . .	164,870	110,318	97,109	391,534	222,081	141,533
Cheese . . .	4,395,313	4,122,643	4,061,520	198,445	128,540	118,334
Milk:						
" Condensed	26,400	113,405	23,075	3,538,510	2,403,317	1,344,889
" Evaporated	2,659			5,164,186	5,269,123	3,775,401
" Powdered, malted, etc	a/	90,095	193,009	a/	514,155	1,110,052
	Gallons	Gallons	Gallons	Gallons	Gallons	Gallons
" Fresh . . .	125,462	63,462	53,171	24,642	11,286	11,936
Cream, fresh	52,098	17,687	4,409			

a/ Classification not comparable with 1931.

World production has been heavy during winter season

Winter dairy production in the United States has been materially heavier month by month since November than in corresponding periods of the previous winter. This has continued through February and apparently to date. Following the abnormally light production of last summer and early fall, production in terms of the milk equivalent of all manufactured dairy products made the following increases as compared with corresponding months of the previous year, according to current estimates of the Bureau of Agricultural Economics:

Manufactured dairy products: Estimated change in production from corresponding month of previous season

Product	Nov. 1930	Dec. 1930	Jan. 1931	Feb. 1931
	Per cent	Per cent	Per cent	Per cent
Creamery butter	+ 1.0	+ 4.2	+ 6.7	+ 5.7
Cheese	- 9.2	- 4.8	- 9.9	- 8.8
Condensed milk	+16.9	+ 1.4	-16.5	-14.3
Evaporated milk		+18.1	+12.3	+18.3
Total milk equivalent (incl. farm butter). .	+ 0.9	+ 3.2	+ 3.6	+ 3.6

Data from Division of Dairy and Poultry Products.

Continued material increase to date is indicated by partial returns of butter production for March. The cheese output during recent months has been light relative to other manufactured dairy products, production of cheese having been discouraged by the low prices prevailing at the same time that consumption has apparently not been much stimulated.

Foreign supplies have likewise been heavy as compared with the previous winter throughout the winter months. Imports of butter into Great Britain and Germany during the four months, November 1930 to February 1931, totalling 350,188,000 pounds, exceeded those of the corresponding period of a year earlier by 6 per cent, the increase in the case of Great Britain alone having been 11 per cent. Cheese imports into Great Britain likewise were increased 11 per cent. On the other hand, British imports of condensed and evaporated milk have been somewhat lighter in all classifications.

Butter: Imports by months into Great Britain and Germany, 1929-1931

Month	1929 Great Britain	1929 Germany	1929 Total	1930 Great Britain	1930 Germany	1930 Total	1931 Great Britain	1931 Germany	1931 Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	67,529	30,644	98,173	72,019	24,692	96,711	75,645	17,196	92,841
Feb.	53,982	22,046	76,028	58,655	17,637	76,292	66,879	17,196	84,075
Mar.	67,870	20,506	88,376	63,488	19,400	82,888			
Apr.	67,797	18,519	86,316	65,425	21,164	86,589			
May	71,227	23,589	94,816	68,171	23,369	91,540			
June	68,379	22,928	91,307	76,492	23,589	100,081			
July	67,564	26,455	94,019	60,603	33,069	93,672			
Aug.	58,982	29,321	88,303	60,875	26,455	87,330			
Sept.	41,642	28,439	70,081	55,667	27,337	83,004			
Oct.	42,302	27,558	69,860	57,735	29,321	87,056			
Nov.	49,923	24,471	74,394	51,667	26,235	77,902			
Dec.	60,342	21,826	82,168	73,986	21,384	95,370			
Total	717,539	296,302	1,013,841	764,783	293,652	1,058,430			

Increased dairy production during the year just closed has been general throughout the European dairy region as indicated by the following compilation of reports submitted from the various countries to the Swiss Peasants' Union and published quarterly under the auspices of the International Commission of Agriculture. Increases or decreases in comparison with corresponding quarters of the preceding year are indicated by code numbers, as follows: 0 = no change, 1 = weak, 2 = strong, and 3 = very strong. Increases are indicated by the plus (+) sign and decreases by the minus (-) sign.

Milk production in specified European countries quarterly, by quarters, 1930, in comparison with corresponding periods of 1929.

Country	First quarter	Second quarter	Third quarter	Fourth quarter
Italy	+ 0.25	+ 0.30	- 0.33	- 0.24
France	+ 0.58	+ 1.00	+ 1.00	+ 0.53
Germany	+ 0.56	+ 1.15	+ 0.35	+ 0.56
Switzerland	- 0.50	+ 0.50	- 0.50	- 1.00
Norway	- 0.25	+ 0.20	+ 0.33	+ 0.20
Sweden	+ 1.13	+ 1.58	+ 0.50	+ 0.57
Finland	+ 1.25	+ 1.00	0.00	+ 1.00
Lithuania	+ 1.50	+ 2.00	+ 1.50	0.00
Estonia	+ 2.00	+ 2.00	+ 2.00	+ 1.00
Poland	+ 2.00	+ 1.30	+ 2.50	+ 1.50
Denmark	+ 1.00	+ 1.00	+ 1.00	+ 1.00
Netherlands	- 1.00	0.00	0.00	0.00
Belgium	- 0.30	+ 0.57	0.00	+ 1.00
England & Wales	0.00	+ 1.00	0.00	+ 1.00

88th Rapport sur le marche international des laits et des produits laitiers.

As our spring season progresses and interest shifts from Southern to Northern Hemisphere supplies, the trend of exports from Denmark is increasingly significant. The following comparative figures show that Danish supplies during the winter season have run only slightly heavier than in corresponding months of the previous season. Severe weather during March was reported from Copenhagen with temperature below zero as late as March 20.

Denmark: Exports of butter, by months, January 1927 to date

Month	1927	1928	1929	1930	1931
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	24,519	24,725	27,281	31,069	31,071
Feb.	20,706	23,929	25,138	26,198	a/ 26,340
Mar.	26,280	27,509	26,594	28,395	
Apr.	24,069	24,140	31,358	29,596	
May	29,482	29,241	33,267	37,663	
June	33,260	31,538	32,652	34,372	
July	28,970	30,171	31,387	34,933	
Aug.	26,649	29,428	33,592	30,496	
Sept.	27,294	25,724	26,338	31,308	
Oct.	23,162	25,749	26,349	32,190	
Nov.	23,048	28,436	28,915	27,653	
Dec.	27,181	25,121	27,745	28,681	
Total	314,620	325,711	350,616	372,554	

Official sources except for latest month which is from the Danish Butter Trade Journal, Smor Tidende.
a/ Preliminary estimate based on exports.

Stocks of butter held in cold storage in the United States, in Canada, and in Great Britain are less than a year ago. Cheese supplies, on the other hand, have not been generally as well cleared.

United States: Stocks of creamery butter and American cheese, first of each month, April 1929-30 and April 1930-31

Date	Butter		Cheese	
	1929-30	1930-31	1929-30	1930-31
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Apr. 1	5,532	30,556	45,105	41,922
May 1	5,883	22,957	42,032	39,324
June 1	28,369	50,378	47,641	49,172
July 1	91,962	106,522	62,737	70,186
Aug. 1	151,621	145,061	79,907	88,749
Sept. 1	168,952	143,089	86,558	87,221
Oct. 1	158,541	131,489	84,815	85,076
Nov. 1	138,405	109,582	78,058	78,949
Dec. 1	111,650	88,012	71,132	70,842
Jan. 1	81,935	63,349	63,478	63,362
Feb. 1	60,230	46,792	53,672	54,499
Mar. 1	46,530	30,672	47,818	47,968
Apr. 1	30,556	a/ 18,025	41,922	a/ 41,866

a/ Preliminary.

Canada: Statement of holdings of butter and cheese, final report February 1, 1931, preliminary report March 1, 1931

Commodity	Feb. 1, 1930	Feb. 1, 1931	Increase
	Pounds	Pounds	Percentage
Butter:			
Creamery . .	13,653,045	16,886,579	23.68
Dairy . . .	278,485	392,870	41.07
Cheese	10,317,278	14,638,710	41.89
	Mar. 1, 1930	Mar. 1, 1931	5-year average as of Mar. 1
	Pounds	Pounds	Pounds
Butter:			
Creamery. .	13,087,236	11,155,883	8,711,322
Dairy . . .	202,093	232,365	199,370
Cheese	8,859,570	13,045,620	14,016,131

Dominion Bureau of Statistics.

Stocks of butter in cold storage in Great Britain on March 21, 1931, amounted to 16,291,000 pounds compared with 16,835,000 pounds on February 21, 1931 and 34,833,000 pounds on March 22, 1930. No complete comparable figures on stocks of cheese in Great Britain are obtainable. Stocks of New Zealand cheese at the Surrey Commercial Docks, as published by the Grocer, London, amounted on March 20 to 53,160 crates or about 8,931,000 pounds against 43,359 crates or 7,284,000 pounds on March 21, 1930.

Butter consumption in Great Britain notably increased

Record supplies of butter reaching Great Britain during the winter months of this year selling at prices lower than have prevailed at any time since the war, have met with a demand for current consumption that leaves stocks remarkably well cleared. The apparent consumption of butter in Great Britain is calculated by the Empire Marketing Board as having amounted during the four weeks ended March 7, 1931, to approximately 32,032,000 pounds or 14 per cent more than in the corresponding period of last year. Stocks in store were estimated as of March 21 at 16,291,000 pounds or less than half as much as on March 22, 1930, when they were estimated at 34,833,000 pounds.

New Zealand cheese production estimates lowered

Some shifting from cheese to butter production in New Zealand factories was reported early in March, and estimates made by the Empire Marketing Board of arrivals of New Zealand cheese in Great Britain during the latter part of the season were revised downward. According to the earlier estimate, arrivals would amount to 120,000 crates in June, 105,000 crates in July, 90,000 crates in August, and 40,000 crates in September. The revised estimate places the arrivals during these same months, respectively, at 95,000, 90,000, 70,000 and 35,000 crates. The shift to butter was expected to be reflected in increased arrivals of butter, principally during March and April, with probably little or no increase resulting during the later months of the season.

Shipments of butter and cheese afloat from New Zealand as of March 26 and corresponding date of the previous season were as follows: Butter, March 28, 1931, 27,102,000; March 27, 1930, 30,209,000 pounds. Cheese, 37,129,000 and 34,419,000 pounds same dates.

Australian production increasing

Since late in January, when production in Australia might have been expected to decline seasonally, gradings of butter and of cheese have increased. By the first of March, both were running ahead of earlier weeks and of corresponding periods of the previous season. During the week ended February 28 gradings exceeded those of any week since the middle of November. Most of the increase has been accounted for, until in very recent weeks, by the favorable conditions affecting pasture in Queensland and New South Wales, but the beneficial effects of rain have since become more general. Shipments afloat as of March 26, 1931 and on the same date the previous month and a year earlier reflect the recent increase in Australian production. The comparison follows:

	Butter			Cheese	
	Boxes	Pounds		Crates	Pounds
Mar. 26, 1931	242,179	13,562,000	Mar. 26, 1931	5,104	857,472
Feb. 26, 1931	245,505	13,748,000	Feb. 26, 1931	2,534	425,712
Mar. 27, 1930	166,520	9,325,000	Mar. 27, 1930	7,500	1,260,000

Butter: Price per pound in New York, Copenhagen, Berlin, and London for one day each week during March, 1931, with comparisons

Market and description	1931						1930
	Mar.5	Mar.12	Mar.19	Mar.26	Apr.2	Apr.9	Apr.10
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score	28.5	29.0	29.0	28.5	28.2	28.0	38.5
Copenhagen, official quotation	28.2	28.2	26.5	25.6	24.9	24.3	27.1
Berlin, 1A quality	30.7	30.7	30.2	28.3	28.3	27.7	28.3
London: a/							
Danish	30.6	30.6	29.3	27.6	26.9	27.2	29.8
Dutch, unsalted	29.8	28.7	29.3	27.6	27.2	27.2	29.8
New Zealand	26.5	25.8	25.4	24.4	24.1	24.0	26.5
New Zealand ,unsalted . .	27.6	27.4	27.4	26.5	25.6	25.2	29.6
Australian	26.3	25.6	25.3	24.1	23.9	23.7	25.6
Australian, unsalted . . .	26.9	26.7	26.1	25.2	24.8	24.3	26.1
Argentine, unsalted . . .	26.5	25.8	25.8	24.8	23.9	23.2	25.2

a/ Quotation of following day.

Cheese: Price per pound in New York and London, for one day each week during March, 1931, with comparisons

Market and description	1931						1930
	Mar.5	Mar.12	Mar.19	Mar.26	Apr.2	Apr.9	Apr.10
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies . .	16.0	16.0	16.0	16.1	16.1	16.0	20.8
London:							
Canadian, white	16.5	16.5	16.5	16.1	16.1	16.1	20.9
Canadian, colored	16.5	16.5	16.5	16.1	16.3	16.5	21.1
New Zealand, white	12.4	12.2	12.2	11.3	11.2	11.1	15.5
New Zealand, colored . . .	12.8	12.6	12.6	11.8	11.7	11.6	16.1

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June 20, 1931

WORLD DAIRY PROSPECTS

SUMMARY

Outstanding developments in foreign countries of interest to producers in the United States include a marked increase in butter production in Canada accompanying the quite complete cessation of Canadian exports of cream and milk to the United States and the higher Canadian tariff rate on butter, some increase in exports of condensed milk from the Netherlands to countries that might afford an outlet for American exporters, and unusually long-continued supplies of butter from Southern Hemisphere sources.

Importation of dairy products into the United States declined materially in 1930 and has continued to decline during 1931 to date. Increased tariff rates and more marked declines in domestic than in foreign prices of dairy products other than cheese have both tended to lessen importation over this period. Cream and milk imports have practically disappeared.

Butter consumption has been greatly stimulated in Great Britain, and European consumers appear to be turning to some extent from margarine to butter. Prices of cheese, particularly of the New Zealand product, are more depressed in Great Britain than in the United States and stocks of cheese held at English wharves and docks are unusually large.

European dairy production during 1931 to date has been little if any heavier than a year ago. Supplies from Southern Hemisphere sources continue heavy, however, with the prospect that supplies of Empire butter will be distributed over the entire year.

World supplies of dairy products during 1931 as reflected in volume of international trade do not appear to have been enough heavier than in the previous year to account for the general price declines.

Consumption of manufactured dairy products within the United States in 1930 exceeded domestic factory production by an amount equivalent to approximately 670 million pounds of milk. During 1929 importation exceeded exportation by approximately 970 million pounds. Foreign supplies have averaged around 1 billion pounds in milk equivalent, or about 1 per cent of the total consumption annually during most of the last decade. The proportion was even smaller during 1930 and importations to date indicate a somewhat smaller proportion still for 1931.

Marked changes in tariff rates on most dairy products came into effect on June 18, 1930. Imports of all dairy products (including casein) from that date to March 31, 1931, amounted in value to $14,586,957 as compared with a total value of such imports during the corresponding nine months, July 1, 1929 to March 31, 1930, of $28,756,544. This falling off by one-half in the import value of dairy products resulted in part from a marked decline in volume, particularly of cream and milk and of casein, and in part from generally lower prices.

Imports of dairy products into the United States were materially lighter during 1930 than 1929 in all the important products and during the first four months of 1931 were below those of the corresponding period of 1930. Details of the import and export trade of the United States during recent periods with comparisons are summarized below.

United States: Imports and exports of dairy products, calendar years, 1929 and 1930, and January - April 1930-1931

Item	Imports			
	Calendar year 1929	Calendar year 1930	Jan.-Apr. 1930	Jan.-Apr. 1931
	Pounds	Pounds	Pounds	Pounds
Butter	2,772,746	2,472,157	1,257,481	403,280
Cheese	76,381,795	68,310,716	22,127,811	19,265,578
Milk :				
Condensed	620,423	1,400,551	127,388	249,333
Evaporated	2,013,634	210,544	115,602	
Powdered, etc.	4,185,675	3,145,065	a/	443,692
	Gallons	Gallons	Gallons	Gallons
Fresh	4,245,833	1,837,483	598,331	208,563
Cream, fresh	2,969,889	1,585,456	311,281	27,683
	Exports			
	Calendar year 1929	Calendar year 1930	Jan.-Apr. 1930	Jan.-Apr. 1931
	Pounds	Pounds	Pounds	Pounds
Butter	3,724,245	2,954,023	1,292,427	815,202
Cheese	2,646,009	1,964,138	749,604	577,470
Milk :				
Condensed	41,242,812	29,648,190	12,148,147	7,474,752
Evaporated	68,942,613	60,810,993	22,561,682	19,389,480
Powdered, etc.	5,348,301	6,223,284	a/	5,630,210
	Gallons	Gallons	Gallons	Gallons
Fresh / Cream, fresh	180,217	188,648	67,191	42,234

a/ Classification not comparable with 1931.

Effects of tariff changes on import trade in dairy products

The foreign trade of the United States in butter depends quite simply and directly upon comparative prices prevailing in domestic and European markets, allowance having to be made, of course, for quality or grade and for tariff rates. The following table shows imports, yearly, for the last pre-war years and from 1919-20 to date with the most important sources indicated, together with the effective date of tariff changes. An effectual check is seen to have been given to increasing importation by each successive rise in the tariff rate until imports have now come to be exceeded slightly by exports.

Butter: Total United States imports and exports and imports from Denmark and New Zealand, 1909-10 to 1913-14 and 1919-20 to 1929-30, together with tariff rates in effect over the period

Year beginning July 1	Total imports	Percentage of total imports: From Denmark	From New Zealand	From Denmark and New Zealand	United States tariff rates on butter with dates of change		Domestic exports
	1,000 pounds	Per cent	Per cent	Per cent	Cents per lb.	Date effective	1,000 pounds
Average 1909-10 to 1913-14	2,480	15.2	10.0	25.2	2.5	10/ 4/13	4,278
1919-20	20,771	33.8	-	33.8	-	-	27,156
1920-21	34,344	66.5	3.9	70.4	6.0	5/28/21	7,829
1921-22	9,551	30.2	8.8	39.0	-	-	7,512
1922-23	15,772	47.0	24.6	71.6	8.0	9/22/22	9,410
1923-24	29,466	35.5	17.1	52.6	-	-	5,425
1924-25	7,189	11.7	27.6	39.3	-	-	8,384
1925-26	6,440	13.6	34.7	48.3	12.0	4/ 1/26	5,280
1926-27	10,710	14.3	34.4	48.7	-	-	5,048
1927-28	4,955	15.3	48.4	63.7	-	-	3,965
1928-29	3,299	27.4	50.7	78.1	-	-	3,778
1929-30	2,851	39.0	40.0	79.0	14.0	6/18/30	2,954

Imports of fresh cream and milk from Canada have shown the most marked falling off of any of the dairy products except casein. An increase of 50 per cent in the tariff on fresh cream and milk to 30 cents and 3-3/4 cents per gallon, respectively, was made effective by executive order on June 13, 1929. Under the 1930 Act these rates were raised to 56-6/10 cents and 6-1/2 cents, respectively. Imports of cream amounted in 1928 to 3,614,000 gallons, in 1929 to 2,969,889 gallons, in 1930 to 1,585,456 gallons, and in the first four months of 1931 to 27,683 gallons as compared with 311,281 gallons in the first four months of 1930. April imports of cream this year were quite negligible, having amounted in all to 537 gallons. Fresh milk imports have followed a similar course, amounting in April of this year to only 35,307 gallons.

Imports of foreign type cheese into the United States continue heavy

The tariff rates on cheese remained unchanged from 1922 to 1930 with the exception of Swiss cheese on which the rate had been increased 50 per cent by executive order effective July 9, 1927. Effective June 18, 1930, the rate on all other cheese was raised from 5 cents to 7 cents per pound, or on an ad valorem basis, from 25 to 35 per cent. The latter rates are now in effect on all cheese.

Imports of cheese into the United States by countries of origin from 1918 to date are shown below.

Cheese: Imports into the United States by countries, 1918-1930

Calendar year	France	Greece	Italy	Netherlands	Switzerland	Canada	Argentina	Other countries	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1918 ...	542	---	5	---	---	100	6,589	326	7,562
1919 ...	681	1	374	5	12	4,732	5,043	484	11,332
1920 ...	1,583	81	985	863	802	813	9,872	995	15,994
1921 ...	2,081	419	9,100	1,183	2,359	2,498	8,089	1,137	26,866
1922 ...	3,259	782	16,628	2,254	12,011	6,351	3,913	1,375	46,573
1923 ...	5,121	1,456	28,034	2,498	16,982	3,105	4,343	2,881	64,420
1924 ...	4,444	1,817	31,256	2,899	13,632	984	1,048	3,096	59,176
1925 ...	5,567	1,491	33,829	2,937	15,993	210	89	2,287	62,403
1926 ...	5,424	2,570	35,026	3,471	16,736	11,835	232	3,123	78,417
1927 ...	4,378	2,334	31,938	3,696	19,066	13,268	595	4,221	79,796
1928 ...	6,663	2,788	38,008	3,712	18,564	7,488	140	4,040	81,403
1929 ...	5,948	2,071	32,602	3,196	18,839	8,279	165	5,232	76,382
1930 ...	4,983	1,830	33,258	2,541	17,947	3,143	196	4,413	68,311

Foreign Commerce and Navigation of the United States.

The volume of imports of cheese from Italy has apparently been lessened only slightly as a direct result of the increase in the tariff rate effective June 18, 1930. Imports were unusually light for several months following the change, but this probably reflected only the accumulation of excessive shipments made prior to the date of change in anticipation of the increased duty. Another factor contributing to the slight decline in exports from Italy to the United States during the period has been the relatively greater decline in cheese prices in this country.

Cheese: Imports from Italy into the United States, by months, January 1930 to April 1931

Month	1930	Month	1930	Month	1931
	Pounds		Pounds		Pounds
Jan.	2,870,754	July	1,311,331	Jan.	1,586,247
Feb.	1,828,822	Aug.	1,457,183	Feb.	2,165,109
Mar.	2,426,045	Sept.	1,708,739	Mar.	2,561,420
Apr.	3,439,631	Oct.	3,391,716	Apr.	3,732,264
May	7,625,485	Nov.	2,712,076		
June	1,755,522	Dec.	2,698,436		
Total...	19,946,259	Total	13,279,481		

Cheese of the Cheddar type, which constitutes about 80 per cent of the total cheese output of the United States, is also produced on a commercial scale in Canada and New Zealand, the volume of production in the latter two countries combined about equalling from year to year the output of this same type in the United States.

Importation of this type of cheese, which is almost entirely from Canada, reached its greatest volume to date in 1926 and 1927 when abnormal price depression prevailed in Great Britain. Imports of cheese from Canada reached the maximum of 12 and 13 million pounds, respectively in those years. Since that time average price margins have been less in favor of United States markets, and such shipments as persist from Canadian sources do so on the basis of competition in quality rather than average price.

Production of casein is increasing in the United States and imports falling off markedly, according to latest available data. The import duty was increased in the 1930 Act from $2\frac{1}{2}$ to $5\frac{1}{2}$ cents per pound. Imports which had amounted in 1929 to 27,583,339 pounds, fell in 1930 to 18,499,656 pounds. Of this total for the year, 16,095,462 pounds had come in during the first six months, leaving only 2,404,194 pounds as the importation during the last half of the year following the tariff change. During the first four months of 1931, a total of only 1,464,223 pounds was imported. The much lessened imports are principally, as before the decline, from Argentina, with France and Germany as the other important foreign sources of supply. Casein production in the United States amounted to 18,033,000 pounds in 1927, 22,151,000 pounds in 1928, and 30,537,000 pounds in 1929, the latest year for which data are obtainable.

General butter price decline particularly marked in United States

Current prices of butter are very nearly on the same level in United States and European markets. The decline to the present low level has been much greater in domestic than in foreign markets during the last twelve months. The New York price on 92 score butter during April averaging 26.1 cents per pound was 38 per cent lower than in April, 1930, while in London, best Danish at the equivalent of 27.6 cents was 12 per cent lower and New Zealand at 25.1 cents 14 per cent lower than a year earlier. Farm prices of dairy products in the United States declined from March, 1930 to March, 1931 by about 20 per cent while apparent consumption of all manufactured dairy products, in terms of their combined milk equivalent increased by about 2 per cent.

Butter: Monthly average price per pound in New York and London, January, 1929 to April, 1931

Year and month	Butter		
	New York	London	
		Danish	New Zealand
1929	Cents	Cents	Cents
Jan.	47.9	43.7	41.4
Feb.	49.9	42.5	40.3
Mar.	48.4	40.1	37.5
Apr.	45.4	37.0	36.6
May	43.5	37.2	37.3
June	43.5	37.9	38.0
July	42.4	38.7	38.2
Aug.	43.4	38.7	38.4
Sept.	46.2	42.2	40.4
Oct.	45.6	44.1	40.8
Nov.	42.7	42.4	39.4
Dec.	41.1	40.3	36.9
Average	45.0	40.3	38.8
1930			
Jan.	36.6	38.2	35.4
Feb.	35.7	38.6	34.1
Mar.	37.3	35.5	31.6
Apr.	38.5	31.5	29.2
May	34.8	29.7	29.9
June	32.9	30.5	29.8
July	35.2	33.0	31.0
Aug.	38.9	33.9	30.1
Sept.	39.8	33.3	29.0
Oct.	40.0	33.3	26.8
Nov.	36.1	32.0	25.3
Dec.	32.2	30.4	27.4
Average	36.5	33.2	29.8
1931			
Jan.	28.5	30.5	29.3
Feb.	28.4	32.9	27.2
Mar.	28.9	31.0	27.2
Apr.	26.1	27.6	25.1
May	23.7		

Foreign Cheddar cheese prices relatively low

Comparative cheese prices in domestic and foreign markets have been differently affected than butter prices. April average prices were lower in New York than a year ago by 9 per cent while in London, Canadian averaged 22 per cent lower and New Zealand 32 per cent lower. The marked depression in New Zealand cheese prices to as low as 11 cents a pound is regarded as marking a crisis in the New Zealand dairy industry and caused some turning to butter production as an alternative to the comparatively heavier output of cheese usually occurring as the seasonal year progresses. The low prices are attributed in part, also, to some resistance to the recently adopted practice of "standardizing" cheese in that country.

Stocks of cheese at the wharves and docks in London, Liverpool, and Bristol were heavier on April 1, 1931, than on the corresponding date in any year since 1926, according to estimates available at that time and reported by American Trade Commissioner, Frank Messenger in London on April 10.

Cheese: Estimated stocks at wharves and docks, in London, Liverpool, and Bristol on April 1, 1927-1931

Country of origin	Apr. 1				
	1927	1928	1929	1930	1931
	Boxes	Boxes	Boxes	Boxes	Boxes
Canadian and States.....	36,800	17,900	78,500	124,600	167,100
	Crates	Crates	Crates	Crates	Crates
New Zealand and Australian.....	144,250	101,800	135,900	106,750	161,250

Cheese, Cheddar: Monthly average price per pound in New York and London, January, 1929 to April, 1931

Year and month	New York	London	
		Canadian	New Zealand
	Single Daisies	Colored	Colored
	Cents	Cents	Cents
1929			
Jan.	24.6	25.0	21.6
Feb.	24.1	24.6	20.4
Mar.	24.0	24.8	20.3
Apr.	23.6	24.5	20.2
May	23.0	24.5	19.8
June	23.3	24.3	20.8
July	22.6	24.1	20.7
Aug.	23.0	20.2	20.0
Sept.	23.9	21.4	21.2
Oct.	24.5	22.0	21.3
Nov.	23.9	22.3	21.1
Dec.	23.0	22.3	20.6
Average	23.6	23.3	20.7
1930			
Jan.	21.4	22.2	19.6
Feb.	21.3	22.5	20.1
Mar.	21.1	22.6	18.9
Apr.	20.8	22.4	17.9
May	20.0	23.1	19.0
June	18.5	22.6	18.3
July	17.9	18.8	18.0
Aug.	19.0	18.5	18.1
Sept.	20.0	18.0	17.0
Oct.	19.4	17.8	16.7
Nov.	19.2	17.7	16.5
Dec.	17.7	17.6	14.2
Average	19.7	20.3	17.8
1931			
Jan.	17.0	17.8	13.5
Feb.	16.5	17.9	12.9
Mar.	16.0	17.6	13.3
Apr.	18.9	17.9	12.1
May	13.8		

Southern Hemisphere supplies continue unusually important. Northern Hemisphere supplies again dominate world markets for dairy products as is usual at this season of the year. The establishment of the Empire Marketing Board has resulted, however, in the assurance of substantial supplies of Empire butter continuing on the British market throughout the year, according to an official announcement by the Board. This is of importance as a factor in the current season when European supplies are not as yet heavier than a year ago but are to be supplemented by heavier shipments than usual from Empire sources.

During the first quarter of 1931 European dairy production was generally somewhat lighter than during the first quarter of 1931, according to reports submitted from the various countries to the Swiss Peasants' Union under the auspices of the International Commission of Agriculture. Poor quality of hay and fodderstuffs generally as over against low prices of concentrates accounts for the check to production, according to the summary report. Increases or decreases in comparison with corresponding quarters of the preceding year are indicated in the tabular statement reproduced in part below, as follows: 0 = no change, 1 = weak, 2 = strong, and 3 = very strong. Increases are indicated by the plus (+) sign and decreases by the minus (-) sign.

Milk production in specified European countries, by quarters, 1930 and 1931 in comparison with corresponding quarters for preceding year

Country	Jan.-Mar. 1930	Apr.-June 1930	July-Sept. 1930	Oct.-Dec. 1930	Jan.-Mar. 1931
Italy	+ 0.25	+ 0.30	- 0.33	- 0.24	- 0.47
France	+ 0.58	+ 1.00	+ 1.00	+ 0.33	- 0.44
Germany	+ 0.56	+ 1.15	+ 0.33	+ 0.53	+ 0.48
Switzerland	- 0.50	0.50	- 0.50	- 1.00	- 1.00
Norway	- 0.25	+ 0.20	+ 0.33	+ 0.20	+ 0.20
Sweden	+ 1.13	+ 1.58	+ 0.50	+ 0.57	0.00
Finland	+ 1.25	+ 1.00	0.00	+ 1.00	- 0.50
Lithuania	+ 1.50	+ 2.00	+ 1.50	0.00	0.00
Estonia	+ 2.00	+ 2.00	+ 2.00	+ 1.00	0.00
Poland	+ 2.00	+ 1.30	+ 2.50	+ 1.50	- 1.00
Denmark	+ 1.00	+ 1.00	+ 1.00	+ 1.00	- 0.50
Netherlands	- 1.00	0.00	0.00	0.00	- 1.00
Belgium	- 0.50	+ 0.57	0.00	+ 1.00	- 1.15
England and Wales	0.00	+ 1.00	0.00	+ 1.00	0.00

89th Rapport sur le marché international des laits et des produits laitiers.

Butter supplies from all the surplus-producing countries arrived in Great Britain and Germany, the great deficit countries of the world, in quantities slightly less during the first quarter of 1931 than arrived during the corresponding period of 1930. These imports amounted to 255,137,000 pounds and 255,891,000 pounds, respectively. For 4-month periods, including April, imports amounted to 346,326,000 pounds and 342,480,000 pounds, or an increase of about 1 per cent. Thus trade movement and production reports indicate that the European butter production has been comparatively light during the late winter and early spring, and Southern Hemisphere supplies have continued unusually heavy in recent months.

Imports into Great Britain alone were heavier during the four months period of this year than last by about 8 per cent, owing largely to the heavier Empire supplies this year. British stocks of butter held in cold storage are reported as only about half as large as at this time last year and the low prices are being accompanied by activity in both British and German markets, according to latest market reports. Consumption in Great Britain is officially estimated to have averaged 17,024,000 pounds weekly during April as compared with 12,748,000 pounds during April of last year. There is already some evidence that butter prices in European markets are sufficiently low to cause butter consumption to increase and margarine consumption to decrease.

International trade in butter increases moderately

The movement of butter in international trade during 1930, according to fairly complete preliminary figures, was only about 3 per cent heavier than in the previous year, and apparently the total trade in the first four months of 1931 has been comparatively lighter still. In both 1929 and 1930, Great Britain and Germany together took 90 per cent of the total volume accounted for as having entered international trade. During the first four months of 1931 the combined imports of these two countries were heavier than during the corresponding period of 1930 by about 1 per cent. Following is a summary of international trade in butter during 1909-13, 1929, and 1930. Of the total, the United States took about .2 per cent in the past two years, about the same as in the last pre-war years, although the proportion during the intervening years was as high as 10.5 per cent (in 1920).

Particularly notable in the 1930 trade is the falling off by more than one-half in the exports from Russia, from 56 million pounds in 1929 to 23 million pounds. Exports declined also from the Netherlands, Irish Free State, and Poland. Importation declined slightly in Germany in 1930 as compared with 1929, while increasing in Great Britain, Canada, Switzerland, Belgium, and France.

Butter: International trade, average 1909-1913, annual 1929-1930

Country	Calendar year					
	Average 1909-1913		1929		1930 (Prelim.)	
	Imports	Exports	Imports	Exports	Imports	Exports
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Principal exporting countries						
Denmark	6,241	195,550	1,424	350,616	1,388	372,553
New Zealand	47	38,761	1	185,226	---	211,035
Australia	46	77,859	a/ 4	105,403	---	123,630
Netherlands	4,987	75,133	4,469	104,323	---	b/92,400
Argentina	113	6,934	2	37,547	---	51,156
Irish Free State	c/	c/	4,478	62,774	3,391	58,765
Russia	2,202	150,294	---	55,933	---	23,197
Finland	2,370	26,337	3	36,610	---	b/37,400
Canada	3,388	3,973	35,928	1,400	38,606	1,180
Sweden	330	45,870	24	54,960	18	58,833
Latvia	c/	c/	a/ 47	33,621	---	b/39,400
Estonia	c/	c/	1	27,247	---	31,000
Poland	c/	c/	112	33,248	29	26,710
Italy	972	7,870	1,937	1,651	3,131	1,843
Yugoslavia	c/	c/	0	635	1	655
Principal importing countries						
United Kingdom	455,489	1,179	702,749	1,096	744,871	1,111
Germany	111,441	498	298,821	337	293,557	578
France	13,713	40,769	9,753	16,722	12,922	12,095
Belgium	14,024	3,125	9,559	3,009	22,413	2,643
Switzerland	11,106	44	16,650	158	18,795	40
United States	1,647	4,125	2,773	3,724	2,472	2,954
Dutch East Indies	4,152	0	11,098	0	---	0
Greece	206	8	1,537	0	1,420	0
Czechoslovakia	c/	c/	836	715	714	695
Norway	976	3,137	1,352	1,191	1,529	233
Austria	d/ 6,281	d/ 4,267	1,099	2,211	544	4,111
Cuba	1,459	0	992	21	---	---
Egypt	2,350	c/ 166	2,162	28	2,935	23
British Malaya	---	---	1,930	177	2,067	193
China	f/ 1,677	0	1,372	0	---	0
Peru	462	20	1,484	2	---	---
Algeria	1,946	9	a/ 2,317	a/ 64	---	---
Philippine Islands	1,665	0	1,338	0	---	0
Trinidad and Tobago	847	0	1,524	0	---	0
Union of South Africa	3,913	26	1,604	2,337	1,690	2,879
Spain	939	259	409	177	328	160
Total, 36 countries	654,989	686,193	1,119,789	1,122,163	1,152,821	1,157,510

Bureau of Agricultural Economics. Official sources, except where otherwise noted. Butter includes all butter made from milk, melted and renovated butter, but does not include margarine, cocoa butter or ghee.

a/ International Yearbook of Agricultural Statistics. b/ Unofficial. c/ Figures for pre-war years are included in the countries of the pre-war boundaries. d/ Average for Austria-Hungary. e/ Two-year average. f/ Four-year average. (Smor Tidende, April 17, 1931).

Cheese: International trade, average 1909-1913, annual 1929-1930

Country	Calendar year					
	Average 1909-1913		1929		1930 Preliminary	
	Imports	Exports	Imports	Exports	Imports	Exports
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Principal exporting countries						
Netherlands	522	127,379	1,445	211,234	-	206,736
New Zealand	3	55,561	6	199,258	-	203,054
Canada	1,054	167,260	2,104	92,946	1,788	80,164
Italy	13,308	60,560	13,975	71,802	12,562	80,974
Switzerland	7,150	70,075	3,437	69,726	4,238	66,143
Denmark	1,414	527	647	14,513	810	12,626
Australia	360	799	a/ 548	a/ 5,131	-	-
Yugoslavia	b/	b/	370	4,937	297	4,583
Finland	478	2,086	44	4,836	-	-
Czechoslovakia	b/	b/	3,347	7,053	2,963	8,276
Hungary	b/	b/	1,543	1,695	945	1,846
Bulgaria	c/ 52	d/ 5,972	a/ 11	2,636	-	2,465
Russia	3,911	7,011	-	-	-	-
Principal importing countries						
United Kingdom	257,407	950	331,744	6,588	345,244	5,579
Germany	48,687	1,967	146,569	4,919	137,458	5,411
United States	46,346	5,142	76,382	2,645	68,311	1,964
France	49,056	26,880	51,070	40,608	65,523	38,921
Belgium	31,771	354	46,455	899	51,106	875
Austria	e/ 12,298	e/ 966	5,716	2,936	5,636	4,494
Algeria	6,592	138	8,474	193	10,398	212
Egypt	8,182	f/ 48	6,526	195	7,494	121
Spain	5,032	53	6,970	67	5,835	207
Cuba	4,520	7	4,484	6	-	-
Argentina	10,447	d/ 6	4,001	796	-	743
Greece	264	1,618	3,314	0	2,301	0
Irish Free State	b/	b/	2,409	124	2,350	-
Sweden	946	41	1,413	263	1,470	-
Dutch East Indies	757	0	2,347	0	-	0
Norway	663	377	841	1,347	749	1,380
British India	1,314	0	1,257	7	1,148	7
Tunis	1,382	19	a/ 1,683	a/ 13	-	-
Brazil	4,178	d/ 1	1,555	0	-	0
Union of South Africa	4,991	3	669	404	451	1,935
Total 33 countries	523,085	535,800	731,356	747,577	729,077	728,716

Bureau of Agricultural Economics. Official sources except where otherwise noted. All cheese made from milk, including "cottage cheese".

a/ International Yearbook of Agricultural Statistics. b/ Figures for pre-war years, are included in the countries of the pre-war boundaries.

c/ Three-year average. d/ Four-year average. e/ Average for Austria-Hungary. f/ One-year only.

United States continues as an important cheese-importing country

World production and international trade include many types and varieties of cheese. Cheddar cheese, the principal type in the United States, predominates also in Canada and New Zealand. Not all the cheese covered by the international trade table is at all directly competitive and hence the summary does not have the same significance as does the similar tabulation for butter. Imports into the United States, including all of the important foreign varieties, accounted for about 10 per cent of the total volume entering international trade in 1929 and 9 per cent in 1930, a proportion differing but little from that of the last pre-war years.

United States an important exporter of dehydrated milk

Exportation of dairy products from the United States is now practically confined to various forms of dehydrated milk, condensed, evaporated, powdered, and otherwise prepared. The export trade in this group as a whole has been falling off during 1929, 1930 and in 1931 to date. Powdered milk and its preparations are exceptions. Some change in classification since the first of the current year has made close comparisons difficult, but exports of milk, powdered, malted, etc., in the four months January to April 1931, amounting to 5,630,210 pounds were nearly as great as the total exports for 1930 of 6,223,284 pounds of powdered milk as then reported.

Following is a recent tabulation of international trade in condensed and evaporated milk with incomplete preliminary figures for 1930 together with comparative figures for 1929 and the last pre-war years. The United States remains second in importance as an exporting country, having supplied about 14 per cent of all exports accounted for in 1929, the last year for which complete data are now obtainable.

Increased exports of condensed milk from the Netherlands have recently competed heavily with United States exports. "The most important changes in the exports of condensed sweetened whole milk" according to a recent report on this branch of trade from the Netherlands, "occurred in the shipments to Cuba which took 4,976,000 pounds in 1929 and 11,889,000 pounds in 1930, and to British Borneo to which 20,439,000 pounds were sent in 1929 and 24,464,000 pounds in 1930. Both these places are as conveniently situated with respect to the United States as is the Netherlands and there is apparently a field for increased sales by American exporters of condensed milk of this kind. Only minor changes occurred in the exports of this milk to other countries".

New impetus given to Canadian dairying

Prospects of unsatisfactory returns from wheat and recent material increases in the import duty on butter have contributed to a marked increase in Canadian dairy production, particularly in the western provinces.

Condensed and Evaporated milk: International trade, average 1909-1913, annual 1929-1930

Country	Calendar year					
	Average 1909-1913		1929		1930 Preliminary	
	Imports	Exports	Imports	Exports	Imports	Exports
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Principal exporting countries						
Netherlands	a/ 23	55	139	378,059	-	-
United States	0	b/ 16,200	2,634	110,184	1,611	90,459
Denmark	a/b/ 5	b/ 4,724	2	54,934	-	51,916
Switzerland	201	80,539	13	73,475	15	72,660
Canada	259	4,575	179	26,746	164	20,470
Australia	4,463	727	a/ 52	a/ 17,395	-	-
Norway	3	32,106	323	15,534	111	13,447
Italy	806	5,913	2,124	4,483	1,751	5,141
Irish Free State	c/	c/	1,116	10,503	909	10,321
New Zealand	361	152	7	2,175	1	2,305
Lithuania	c/	c/	83	19,910	98	10,865
Czechoslovakia	c/	c/	271	2,831	223	2,754
Principal importing countries						
United Kingdom	121,175	48,221	296,501	27,732	290,750	22,204
Cuba	28,457	0	46,492	0	-	0
Germany d/	66	12,080	8,264	4,235	4,551	6,772
France	2,458	4,140	14,477	11,520	14,964	14,608
Dutch East Indies	e/ 13,049	69	34,990	0	-	0
Philippine Islands	12,811	0	29,873	0	-	0
Japan	10,061	0	8,865	317	8,396	786
British India	11,236	0	27,436	0	27,280	0
Union of South Africa	21,227	0	12,132	16	4,292	452
China	4,484	0	13,285	0	-	0
Peru	a/b/ 2,038	0	8,667	0	-	0
Austria	a/f/ 323	a/f/ 79	1,247	371	1,384	676
Greece	a/ 176	0	7,379	0	7,218	0
Indo-China	a/ 2,437	a/ 72	a/ 9,709	a/ 72	-	-
Siam g/	0	0	8,447	0	-	0
Jamaica	a/ 2,860	0	5,084	0	-	0
Belgium d/	0	0	4,099	4,369	5,554	7,390
Trinidad and Tobago	a/ 37	0	3,850	0	-	0
Algeria	a/ 143	a/ 38	a/ 4,094	a/ 144	-	-
Tunis	a/b/ 1,354	0	a/ 2,723	0	-	0
Poland	c/	c/	385	1	267	7
Egypt	h/ 1,828	0	1,525	504	1,808	123
Argentina	742	0	1,578	15	-	-
Brazil	8,694	0	1,252	0	-	0
Total 36 countries	250,957	209,690	559,798	770,525		

Bureau of Agricultural Economics. Official sources, except where otherwise stated. a/ International Yearbook of Agricultural Statistics. b/Four-year average. c/ Figures for pre-war years are included in the countries of the pre-war boundaries. d/ Includes some powdered milk. e/ Three-year average. f/ Average for Austria-Hungary. g/ Figures for Siam are for 12 months ended March 31 of the year following year shown. h/ One-year only.

Canada: Production of creamery butter and factory cheese, 1929, 1930 and January - March, 1930 and 1931

Commodity	1929	1930	1930 Jan. - Mar.	1931 Jan. - Mar.
	Pounds	Pounds	Pounds	Pounds
Butter	174,724,465	183,854,186	a/ 48,658,544	a/56,907,538
Cheese	118,646,039	117,386,347	b/	b/

Dairy News Letter, May 15, 1931. Dairy and Cold Storage Branch, Department of Agriculture.
a/ Official estimate. b/ Not available.

New Zealand output slightly heavier this season than last

Total butterfat production in New Zealand as officially estimated for the first nine months of 1930-31 as compared with the corresponding period of 1929-30 represents an increase of 2.07 per cent. Following is a summary of comparative output by months as reported by American Trade Commissioner, Julian B. Foster, Wellington.

New Zealand: Quantities of butter and cheese graded, by months, August to April 1929-30 and 1930-31

Month	Butter		Cheese	
	1929-30	1930-31	1929-30	1930-31
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	6,606	6,805	1,174	1,447
Sept.	13,646	16,623	7,988	10,833
Oct.	25,023	25,742	19,311	22,010
Nov.	30,914	30,330	26,858	27,191
Dec.	32,957	34,572	29,906	34,041
Jan.	30,480	28,970	28,090	30,744
Feb.	25,155	24,300	23,773	24,420
Mar.	22,075	20,933	21,983	20,075
Apr.	15,004	13,919	18,005	15,973
Total 9 mos.	201,840	202,194	177,088	186,734

Butter: Shipments afloat from specified Southern Hemisphere countries on June 4, 1931 with comparisons

Country	June 8, 1929	June 7, 1930	June 4, 1931
	Pounds	Pounds	Pounds
New Zealand	8,456,000	12,264,000	15,960,000
Australia	6,496,000	3,528,000	15,848,000
Argentina	280,000	1,008,000	1,008,000

Australian butter exports increased and bounty reduced

Exports of butter from Australia during the season just ending are apparently to exceed the previous record of 140 million pounds exported in 1924.- 25. Figures covering the period, July 1, 1930 to April 18, 1931, as reported unofficially, indicate that the exports of 136,584,000 pounds exceeded those of the corresponding period of 1929-30 by 38 million pounds. During the quarter, January 1 to March 31, 1931, production in the three important dairy States of Queensland, New South Wales, and Victoria was 51,356,000 pounds which exceeded the output during the corresponding quarter of 1930 by 9,771,000 pounds, according to figures appearing in The Primary Producers' News, Sydney, April 17, 1931.

In view of the remarkably well-maintained production of butter through the current season, according to the above source, a special meeting of the Australian Stabilization Committee was held in Melbourne on April 13 at which it was decided to further reduce the export bounty, effective April 11, to 2½ pence or about 5 cents a pound. The maximum bounty paid under the Paterson plan was 4½ pence or 9 cents a pound. The recent reduction in the export bounty is the third within a period of four months, the total reduction of 2 pence or 4 cents having taken place in that time, according to Consul Joel C. Hudson at Melbourne. The levy on each pound of butter produced is to remain at 1-3/4 pence or 3½ cents.

Butter: Price per pound in New York, Copenhagen, Berlin, and London for one day each week, May 7 to June 11, 1931, with comparisons

Market and description	1931						1930
	May 7	May 14	May 21	May 28	June 4	June 11	June 12
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York 92 score	23.5	24.5	24.0	23.8	23.5	23.0	32.6
Copenhagen, off. quotation	23.1	23.1	23.6	23.6	23.6	23.6	27.1
Berlin, 1 A quality	25.9	26.4	27.0	26.2	27.2		26.8
London:							
Danish	25.6	25.8	26.2	26.0	25.8	25.9	29.6
Dutch, unsalted . . .	24.3	24.8	25.4	24.3	24.8	25.0	28.2
New Zealand	22.7	23.7	24.2	24.9	24.3	24.0	28.7
New Zealand, unsalted	23.9	24.3	24.6	25.2	25.2	25.0	31.1
Australian	22.3	23.0	23.6	24.2	23.7	23.2	28.0
Australian, unsalted	23.0	23.5	23.5	24.3	24.0	23.9	27.9
Argentine, unsalted	22.4	22.8	23.5	23.9	23.9	23.9	26.7
Siberian	21.5	21.6	21.9	23.5	23.2	21.9	26.7

Cheese: Price per pound in New York and London, for one day each week, May 7 to June 11, 1931, with comparisons

Market and description	1931						1930
	May 7	May 14	May 21	May 28	June 4	June 11	June 12
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies	14.1	13.6	13.6	13.6	13.9	14.1	18.5
London:							
Canadian, white . . .	15.6	15.6	15.6	15.6	15.6	15.6	18.0
Canadian, colored . .	16.1	15.9	15.9	15.9	15.9	15.9	18.0
New Zealand, white . .	9.9	10.6	11.1	11.7	11.7	11.8	16.3
New Zealand, colored	10.6	11.2	11.7	12.3	12.4	12.4	18.1

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July 22, 1931

WORLD DAIRY PROSPECTS

SUMMARY

The low general level of prices of dairy products is resulting in wide-spread increase in consumption of butter. This is apparent particularly in European countries where heavy consumption of margarine had previously tended to obscure the potential demand for butter. Germany is an exception, recent demand for foreign butter having clearly fallen off in that country, with imports declining along with falling prices. In Australia, on the other hand, which is predominantly a producing country and where butter prices have for some time been artificially maintained, much agitation is reported over the recent rise of a butter-substitute industry. Consumption of cheese appears generally more stable under prevailing conditions than that of butter.

Domestic dairy production is showing much more than the normal seasonal decline and butter prices are tending slightly higher. Foreign supplies are being well maintained. Usually European production has passed its peak by this time but this season it is being supplemented by unusually well maintained supplies from Southern Hemisphere sources. Butter prices in important foreign markets have also tended somewhat higher in recent weeks, continuing closely in line with domestic prices. The Copenhagen quotation as of July 16 was equivalent to 23.7 cents per pound and the London quotation on Danish 26.4 cents against 25.5 cents on 92 score in New York. Canadian cheese, now supersede New Zealand cheese in English markets, was quoted in London on July 16 at the equivalent of 13.1 cents per pound against 14.5 cents on Single Daisies in New York.

Foreign trade of the United States in dairy products continues very stable and in total volume the lightest in recent years.

Domestic prices continue at world level

Domestic prices of both butter and cheese have advanced slightly from those of a month ago and some margins, although still extremely narrow, have developed over comparable European market quotations. As compared with prices of a year ago, butter prices have declined more in domestic markets and cheese prices in foreign markets. Domestic prices thus continue as they were a month ago practically at the world level. Foreign trade of the United States in dairy products, accordingly, continues in small volume, with cheese as the most significant import, while exports of condensed, evaporated and powdered milk were barely maintained. Imports of fresh cream and milk continued practically nil.

United States: Imports and exports of dairy products, May 1930, and April and May 1931

Item	Unit	Imports			Exports		
		1930	1931		1930	1931	
		May	Apr.	May	May	Apr.	May
Butter	Lbs.	325,945	95,934	166,791	286,677	238,820	201,005
Cheese	"	12,356,358	6,470,732	5,856,384	157,760	121,160	139,347
Milk:							
Condensed ..	"	72,329	(81,608	160,592	2,505,161	1,853,263	1,973,425
Evaporated	"	192	(		6,307,864	5,311,415	5,114,362
Powdered, malted, etc.	"	a/	54,741	143,833	a/	1,589,883	1,571,481
Fresh	Gals.	164,370	35,307	84,739	(6,513	7,592	6,447
Cream, fresh	"	225,885	537	947	(		

a/ Classification not comparable with 1931.

Butter consumption in Great Britain increasing with lower prices

The low prices prevailing in world markets are resulting in a marked increase in consumption of butter in Great Britain. From the first of the year until June 15, apparent consumption of imported butter in Great Britain has averaged 15,456,000 pounds per week or 19 per cent more than the weekly average of 12,992,000 pounds during the corresponding period of the previous year.

General imports of butter into Great Britain were 10.3 per cent heavier during the first five months of this year than last, having amounted to 361,722,000 pounds and 327,758,000 pounds, respectively. Imports since the first of the year up to June 13, according to the Empire Marketing Board, were 13 per cent heavier than in the corresponding period of 1930.

A notable increase during the 12 months ended May 31, 1931 in butter consumption in Great Britain even in excess of the 11 per cent increase in importation is indicated by the greatly reduced stocks held in cold storage at the end of the period as compared with the holdings of a year earlier. Holdings on June 13, 1931 were officially estimated at 34,754,000 pounds against 63,327,000 pounds on June 14, 1930.

Wholesale prices of butter in London during the five months, January to May, averaged 15 per cent lower on best Danish and 17 per cent lower on finest New Zealand than during the same period of 1930.

The decline in price, wholesale, was thus somewhat more than balanced by increase in apparent consumption, the actual percentages being such as to indicate that the amount of money spent for butter in the two periods was practically the same. On the basis of recorded import value instead of wholesale prices, it appears that more butter was bought for less money. General imports of butter were increased in quantity by 10.3 per cent while the total import value averaged lower by 10.6 per cent or fully as much as the imported supplies were increased. Domestic supplies of butter are assumed not to have changed materially over these periods as is assumed also by the Empire Marketing Board in a survey of "Changes in the Demand for Butter, November, 1928 and November, 1930." According to the results of this study, average retail prices in four towns covered by the survey declined by 25 per cent in the 2-year period and retail sales in the same towns increased 12 per cent.

Cheese consumption in Great Britain was apparently somewhat less during the five months January to May this year than last. Imports less re-exports totalled 145,393,000 pounds or about .5 per cent more than a year ago when they amounted to 144,568,000 pounds. Stocks of cheese at London, Bristol, and Liverpool, according to commercial estimate as of July 1, were heavier than on that date in any of the last five years, as shown in the following compilation from a report published by C. F. Partington & Co. of London:

Estimated cheese stocks, as of July 1, 1927-31

Country of origin	1927	1928	1929	1930	1931
	Boxes	Boxes	Boxes	Boxes	Boxes
Canadian and States	29,350	32,000	84,000	116,500	142,250
	Crates	Crates	Crates	Crates	Crates
New Zealand and Australia	99,350	67,700	136,000	140,800	163,500

The average import value of all cheese imported during the five months under review was equivalent to 12.7 cents per pound as compared with 18.6 cents during the corresponding period of 1930, a decline of 32 per cent in import value. The lower prices this year did not, however, have the effect of stimulating consumption of cheese as has been the case with butter.

German demand for foreign butter comparatively weak

Imports of butter into Germany during the 5-month period, January to May, amounted to 84,716,000 pounds this year or 20.3 per cent less than last year when 106,323,000 pounds were taken. While importation was lighter in quantity, the recorded total import value was 36 per cent less, and the import value per unit 19 per cent less than in the corresponding period of 1930. Normally about 20 per cent of the total butter supply of Germany is imported,

but no information is obtainable as to actual total supply or consumption in the periods compared above. As affecting world butter markets the important fact remains, however, that despite an import value per pound 19 per cent lower than in the previous year, Germany afforded exporting countries an outlet for 20 per cent less butter during the first five months of this year than last.

Domestic production of butter in Germany is estimated officially, according to Nachrichten fur den Butter und Fettwarenhandel, of June 25, 1931, at around 900 million pounds yearly, accounting for the utilization of roughly one-half of the total milk production in that country and providing about 80 per cent of the total quantity consumed. Of the total domestic output of butter, it is estimated that 63 per cent is produced on farms and 37 per cent in butter factories. Even though the greater part of the farm butter is retained for consumption on the farms, important quantities enter the German butter trade. Its generally poor quality as compared with the factory or creamery product results in dependence of the market upon the latter, although even the butter factories vary widely in the quality of their output, according to the above-mentioned source of information.

While butter imports into Germany during January to May fell off 20.3 per cent from the volume imported during those months last year, cheese imports were only 8.6 per cent lighter, totalling 45,303,000 pounds and 50,047,000 pounds, respectively. Domestic production of cheese in Germany is estimated at around 800 million pounds, yearly, according to the above source, accounting for the utilization of about 8 or 10 per cent of the total milk supply of Germany. With imports averaging around 140 million pounds annually, domestic production is calculated as providing about 85 per cent of the total quantity consumed in that country. Of the total cheese output in Germany, factory cheese constitutes about 43 per cent and home-made cheese 57 per cent. Thus, cheese made in German cheese factories provides only about a third (37 per cent, according to the estimate referred to above) of the total consumed.

Current reports covering German markets for dairy produce emphasize the favorable conditions affecting domestic production and low buying power as contributing to prevailing low prices.

Danish production passes peak but continues heavy

The peak of production in Denmark was later than usual this year, but after comparatively light May supplies, shipments increased, and exports during the weeks ended June 12 and 19 were well above those of corresponding weeks of last year. Although total exports are now heavier than last year, the quantity and the proportion finding a market in Germany have fallen off.

Denmark: Exports of butter, by months, January 1927 to date

Month	1927	1928	1929	1930	1931
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	24,519	24,725	27,281	31,069	31,071
Feb.	20,706	23,929	25,138	26,198	26,883
Mar.	26,280	27,509	26,594	28,395	28,737
Apr.	24,069	24,140	31,358	29,596	34,180
May	29,482	29,241	33,267	37,663	a/ 37,256
June	33,260	31,538	32,652	34,372	
July	28,970	30,171	31,387	34,933	
Aug.	26,649	29,428	33,592	30,496	
Sept.	27,294	25,724	26,338	31,308	
Oct.	23,162	25,749	26,349	32,190	
Nov.	23,048	28,436	28,915	27,653	
Dec.	27,181	25,121	27,745	28,681	
Total ...	314,620	325,711	350,616	372,554	

Official sources except for latest month which is from the Danish Butter Trade Journal, Smor Tidende.
a/ Preliminary estimate based on weekly exports.

Exports of butter from Denmark during recent weeks are shown below with comparisons, as abstracted from Weekly Dairy Produce Notes by the Empire Marketing Board.

Weekly average	Total exports		Exports to Germany		Percentage to Germany	
	1930	1931	1930	1931	1930	1931
	1,000 pounds		1,000 pounds		Per cent	
Five weeks ended May 1	7,399	7,103	1,251	1,579	17	22
" " " June 5	7,986	8,025	1,523	1,970	19	25
Week ended June 19 ..	8,148	8,516	2,003	1,365	25	16

New Zealand now producing more butter and less cheese than last year

Production in New Zealand was heavier than a year ago in the case of butter and much lighter in the case of cheese, as reflected in reports of receipts into grading stores as recent as June 20. A rapid seasonal decline is, of course, evident in both, but the output is unusually heavy for this time of year. During the five weeks ended June 6, receipts averaged 1,814,400 pounds, weekly, against 1,276,800 pounds last year, while cheese averaged 2,056,000 pounds and 2,384,000 pounds, respectively. Shipments afloat from New Zealand as of June 25 amounted to 21,541,000 pounds of butter against 9,883,000 pounds a year earlier and 18,177,000 pounds of cheese against 18,684,000 pounds on June 25, 1930. The total officially estimated butterfat production for the first 10 months of the season just ended in New Zealand represents an increase over the corresponding period of the previous season of 2.24 per cent.

Australia finishes year of record exportation of butter

Exports of butter from Australia during the period July 1, 1930, to June 13, 1931, amounted to 148,334,000 pounds as compared with 104,474,000 pounds during the corresponding period of last year, according to information received by cable from American Agricultural Commissioner Paxton at Sydney on July 13. This quantity exceeds the exports of any previous year on record, the nearest approach to it having occurred in 1924-25 when 145,281,000 pounds were exported over the entire year. As stated in an earlier review, the heavy production of the season just closing has resulted in a material reduction of the export bounty paid under the Paterson plan. There is now a margin of only 1/4 penny or about one-half cent per pound between the amount levied on production, 1¾ pence or 3½ cents, and the bounty paid on butter exported which was last reduced to 2 pence or 4 cents. The reduction to 4 cents, effective on April 11, 1931, was the third within a period of four months during which the bounty was reduced from 4½ pence or 9 cents per pound, the maximum paid under the plan.

"A falling off in local sales of butter, partly due to unemployment and trade depression, and partly to the use of substitutes prepared to look like the genuine article, has coincided with the exceptionally heavy production of the current season. The ratio of exports to local production has increased considerably ....." according to a report from American Vice Consul, Ralph H. Hunt, at Melbourne, as of May 25, 1931.

Quantities of butter still afloat from Australia are far above normal for this season of the year, amounting on July 2 to 7,000,000 pounds against 2,184,000 pounds a year ago, and 3,180,000 pounds on corresponding date of 1929.

Argentine butter shipments now light after year of heavy output

For some years the decline in butter exports from Argentina has been notable, but these have recovered at the same time that casein exports have fallen off. Butter production and exportation in Argentina were heavier in 1930 than in any year since 1926. Casein production, which is almost wholly for export, continued in 1930 the decline begun in 1929. Cheese exports from Argentina have never been important since the war-time expansion in the cheese trade of that country while Italian cheese was off the American markets. Production, trade, and domestic consumption of the various products during the past two years are reproduced below from the report of Assistant Agricultural Commissioner Charles L. Leudtke, forwarded from Buenos Aires, June 10, 1931.

Argentina: Production, imports, exports, and consumption of butter, cheese, and casein, 1926-1930

Product and year	Production	Imports	Exports	Consumption
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Butter				
1929	61,474	2	37,547	23,929
1930	74,005	7	51,156	22,857
Cheese				
1929	34,118	4,001	794	37,325
1930	33,718	3,778	743	36,720
Casein				
1929	37,099	-	36,621	699
1930	30,851	-	30,278	720

Shipments of butter afloat from Argentina as of June 25, 1931, amounted to 550,720 pounds against 1,212,960 pounds as of June 25, 1930, according to the Empire Marketing Board.

Butter: Prices, per pound, in New York, Copenhagen, Berlin, and London for one day each week during June and July to date, with comparisons

Market and description	1931							1930
	June 4	June 11	June 18	June 25	July 2	July 9	July 16	July 17
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score	23.5	23.0	23.2	24.0	24.2	24.2	25.5	34.8
Copenhagen, off.quot	23.6	23.6	23.6	22.9	22.9	23.7	23.7	30.0
Berlin, 1A quality	27.2	26.1	26.1	25.5	25.5			31.3
London:								
Danish	25.8	25.9	25.9	25.3	25.3	26.4	26.4	32.4
Dutch, unsalted ..	24.8	25.0	25.6	25.8	25.8	26.7	27.6	32.8
New Zealand	24.3	24.0	23.9	23.6	24.6	24.8	24.9	29.4
" " unsalted	25.2	25.0	24.8	24.8	24.4	25.2	25.4	32.2
Australian	23.7	23.2	22.9	22.5	25.0	23.8	23.9	28.9
" unsalted	24.0	23.9	23.7	23.5	23.0	23.8	24.0	28.8
Argentine, "	23.9	23.9	23.9	23.5	23.4	23.8	24.1	27.6
Siberian	23.2	21.9	21.7	21.1	23.5	20.8	21.3	28.2

Cheese: Price, per pound, in New York and London for one day each week during June and July to date, with comparisons

Market and description	1931							1930
	June 4	June 11	June 18	June 25	July 2	July 9	July 16	July 17
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies	13.9	14.1	14.1	14.5	14.5	14.5	14.5	17.8
London:								
Canadian, white ...	15.6	15.6	15.2	15.4	a/12.6-16.1	a/12.6	a/13.1	17.7
" colored	15.9	15.9	15.4	15.4	12.6-16.1	13.1	13.4	18.0
New Zealand, white	11.7	11.8	11.7	11.5	12.1	12.8	13.2	16.6
" " colored	12.4	12.4	12.4	12.2	12.7	13.4	13.8	17.8

a/ New season make.

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WORLD DAIRY PROSPECTS

Summary

In consequence of marked advances in domestic prices, price margins in favor of domestic over foreign markets for both butter and cheese have widened very considerably during recent weeks. The relatively high prices within the United States are associated with more than the normal seasonal decline in production together with only moderately increased consumption while prices in foreign markets, excepting Germany, have been well maintained despite heavier supplies than last year by continued generally strong demand. The British trade in cheese which has lagged in comparison with the butter trade has more recently been improving. Stocks held in storage are generally lighter than a year ago in the case of butter and, outside the United States, heavier in the case of cheese. Weakened buying power in Germany continues to limit importation of butter into that country. Russian butter exports, though still below the level reached in 1928, are increasing this year with importation of margarine apparently responsible for some of the increase. Exports of cheese from Switzerland have declined recently and importation of butter into that country increased despite the higher tariff rate designed to encourage greater domestic production of butter. Canada, with exports of cream and milk to the United States practically cut off by our higher tariff rates and with New Zealand butter now practically excluded by recently increased tariff rates, is apparently already on a butter-exporting basis, exports during recent weeks having amounted to more than the total exports of the 2 previous years. Foreign trade of the United States continues with little notable change except as compared with June of last year when the last tariff changes became effective in the middle of the month.

Domestic prices of butter advanced materially during the past month while foreign prices declined slightly, conditions affecting supply having contributed to the recent changes in both domestic and foreign markets. Cheese prices advanced slightly in London and materially in New York. On August 13, the Copenhagen official butter quotation was equivalent to 24.6 cents and 92 score in New York was quoted on the same day at 29.0 cents the margin of 4.4 cents having been the widest since early spring. On the same date closely comparable cheese prices indicated a widening of the margin in favor of New York over London to about 2.3 cents a pound.

Creamery butter production in the United States which was estimated to have been running heavier than last year by 6 per cent in January and February, 8 per cent in March, and 7 per cent in April, and to have fallen off relatively to 4 per cent less in May, was apparently little if any greater during June than last year. Apparent trade output of butter in the United States although estimated to have been nearly 2 per cent heavier during the first 6 months of this year than last also made less than the average advance over last year during June with an increase of only .6 per cent. The lighter storage stocks, estimated on July 1, 1931, at 89,286,000 pounds against 106,522,000 pounds on July 1, 1930 thus reflect the relatively light May and June production this year, together with the considerable caution on the part of storage operators in view of the unprofitableness of storage during the last 2 years. Comparisons with the percentage increases earlier in the year over corresponding months of the preceding year may tend to obscure the fact that actual production of creamery butter during June 1931, estimated to have been 188,040,000 pounds, was nearly identical with the production of 187,541,000 pounds estimated to have been produced in June of last year, and that similarly the apparent trade output was but little different at 205,626,000 pounds and 204,449,000 pounds, respectively. Nevertheless, the marked decline in pasture conditions as affecting current and prospective domestic supply together with the lighter storage holdings have predominantly influenced the recent upward movement of domestic prices. Stocks of butter held in storage in Great Britain and in Canada are also low as compared with a year ago. The decrease in Great Britain is attributable more to increased consumption than to change in supplies (see previous review, D 59). While world stocks of butter on July 1 were generally lower than a year ago, cheese stocks, except in the United States were heavier.

There was no change of importance in the foreign trade of the United States during June, except as compared with last year when the tariff changes became effective in the middle of the month.

United States: Imports and exports of dairy products, June, 1930, and May and June, 1931

Item	Unit	Imports 1930 June	Imports 1931 May	Imports 1931 June	Exports 1930 June	Exports 1931 May	Exports 1931 June
Butter . . .	lbs.	289,028	166,791	159,453	253,586	201,005	178,310
Cheese . . .	lbs.	6,386,256	5,856,384	5,120,946	159,048	139,347	119,323
Milk:							
Condensed	lbs.	316,154	(160,592	(116,729	2,681,596	1,973,425	1,372,487
Evaporated	lbs.	63,892	(	(	5,416,846	5,114,362	5,023,652
Powdered, malted, etc.	lbs.	a/	143,833	176,098	a/	1,571,481	1,202,523
Fresh . .	gals.	309,318	84,739	131,426	(12,595	(6,447	(6,437
Cream, fresh	gals.	232,977	947	405	(	(	(

a/ Classification not comparable with 1931.

Butter stocks in Great Britain comparatively light though increasing

Stocks of butter in cold storage in Great Britain as officially estimated for July 11, 1931, amounted to 44,679,000 pounds or about two-thirds as heavy as a year earlier when 66,550,000 pounds were held in storage. Two weeks earlier, on June 27, stocks were estimated to have totalled 40,114,000 pounds which in turn represented a material increase over the estimate of 34,754,000 pounds on June 13. Reference was made in last month's review to the heavy consumption of butter in Great Britain during the current year to date, and the recent increase in stocks is to be explained by unusually heavy summer arrivals rather than any apparent falling off in consumption.

The total importation of butter into Great Britain amounted during June to 84,738,000 pounds against 77,139,000 pounds during June, 1930, and for the 6 months periods of this year and last to 446,460,000 pounds and 404,247,000 pounds, respectively.

Cheese trade in Great Britain improving

Cheese, which has been accumulating in storage in Great Britain until total stocks at London, Bristol, and Liverpool on July 1 were heavier than on that date in any of the last 5 years, has more recently been moving into trade channels as soon as landed, and deliveries from wharves and docks were showing a steady increase from week to week, according to the London Grocer of July 18. Arrivals of Canadian cheese during the current season are reported as having been 15 to 20 per cent lighter to date than last season. Quotations on the new season's make of Canadian are now about the same as on New Zealand cheese.

Imports of butter into Great Britain from Empire sources proportionately increasing

A notable increase is recorded in butter imports into Great Britain during the 12 months ended June 30, 1931, over the preceding 12 months, amounting to 11 per cent in total imports and 8 per cent in imports remaining for consumption within Great Britain. The increase is attributed by the Empire Marketing Board entirely to larger supplies from Empire sources, these having increased both absolutely and relative to the combined supplies from all other sources. Figures are reproduced below from a statement by the Board in Weekly Dairy Produce Notes of July 17, 1931.

United Kingdom: Proportion that butter from Empire sources is to total imports, 1929-30 and 1930-31

Month	1929	1930	Month	1930	1931
	Per cent	Per cent		Per cent	Per cent
July	28	39	Jan.	56	63
Aug.	27	40	Feb.	46	59
Sept.	35	35	Mar.	48	52
Oct.	36	36	Apr.	52	52
Nov.	49	49	May	46	50
Dec.	46	53	June	35	46
Total, 6 months	37	43	Total, 6 months	47	53
			Total, 12 months	42	48

This increase is attributable in part to activities of the Empire Marketing Board as reviewed in their annual report, also, in part, no doubt, to the limiting of the Canadian outlet by higher tariff rates applying on New Zealand butter, to the record production during the season just ended in those dominions, and to greater control over shipments with a view to distributing the seasonal output over the entire year.

Weakened buying power in Germany curtailing butter imports

In keeping with the general trade depression and scarcity of money in Germany, the butter trade is reported in German reviews as abnormally light, and confined to current needs which are being met more largely by domestic supplies. Wholesale merchants in Berlin were doing about two-thirds of their normal volume of business, according to Nachrichten für den Butter-und Fettwarenhandel of July 21, and a similar report was published in The Danish Butter Journal of July 24. June imports amounted to 17,857,000 pounds this year or about three-fourths as much as had come to be the usual importation for June in recent years. The marked falling off in the quantities of foreign butter taken by Germany during the first 6 months of this year is shown by the following comparison.

Germany: Imports of butter by months, January to June, 1929, 1930 and 1931

Month	1929	1930	1931
	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	30,644	24,796	17,111
Feb.	22,046	17,634	17,102
Mar.	20,506	19,316	15,226
Apr.	18,519	21,264	16,001
May	23,589	23,313	19,279
June	22,928	23,589	17,857
Total, 6 months	138,232	129,912	102,576

Russian butter exports recovering but still moderate

Exports of butter from the Soviet Union appear to have reached their greatest volume to date in 1928, and to be recovering this season from the low point reached in 1930. During 1928 exports amounted to 71,888,000 pounds, then declined to 55,933,000 pounds in 1929, and to 23,197,000 pounds in 1930. Imports of butter from Russia into Great Britain during the first 6 months of the last 3 years show some recovery this year, having amounted to 13,493,000 pounds in 1929, to 4,794,000 pounds in 1930, and to 7,813,000 pounds in 1931. Comment appeared recently in the Danish Butter Journal on large Russian orders for margarine, received by Danish and German manufacturers, "probably with the intention on the part of the Russian authorities to replace butter with margarine in the home consumption so as to release so much more butter for export."

Danish production declining

Butter exportation from Denmark apparently had passed its peak this year by the middle of June. Exports by weeks were as follows during June and early July of this year and last, according to the Danish Butter Journal, Smor Tidende.

Week ended	1930	1931
	1,000 pounds	1,000 pounds
June 5	8,249	8,044
12	8,381	8,952
19	8,148	8,515
26	7,701	7,980
July 3	7,844	7,864
10	7,443	7,854
17	7,370	7,680

Comment appeared in the above journal as of July 10 to the effect that more confidence was apparent in the general outlook for the butter market, since production was falling off generally as well as in Denmark, and some speculative demand was developing.

Switzerland still importing butter; decline in exports of cheese

Switzerland has made little if any apparent progress to date in its recently adopted national policy of self-sufficiency through increased butter production. On September 1, 1930, the import duty on butter entering Switzerland was increased from the equivalent of about 6 cents per pound to 10.5 cents. This was done with a view to discouraging the importation and encouraging the domestic production of butter thereby relieving the pressure of cheese supplies upon the market. Notwithstanding this substantial increase in the tariff rate, importation of butter during the first half of 1931 was heavier than during the corresponding period of 1930, having amounted to 12,206,000 pounds and 9,274,000 pounds, respectively. Switzerland thus continues to provide as in the past a market for foreign butter in sufficient quantities to affect the European markets, as indicated by the following summary from official sources covering pre-war and recent years.

Switzerland: Imports and exports of butter, average 1909-1913, annual 1926-1930, January - June 1930 and 1931

Year	Imports	Exports	Year	Imports	Exports
	1,000 pounds	1,000 pounds		1,000 pounds	1,000 pounds
1909-13	11,106	44	1929	16,650	158
1926	17,818	131	1930	18,795	40
1927	18,727	159	Jan-June "	9,274	
1928	18,061	150	" " 1931	12,206	

Exports of cheese from Switzerland were lower during June than in any month this year, and the total exportation during the first 6 months of this year, amounted to only 22,764,000 pounds against 26,211,000 pounds during the first 6 months of 1930. Exports to the United States during these periods show a more than proportionate decline to 6,078,000 pounds from 8,306,000 pounds last year. The general tariff change in the United States effective June 18, 1930, did not affect the Swiss cheese rate materially, since all other cheese was at that time made subject to about the same duty already in effect on Swiss cheese, that is, 7 cents a pound or 35 per cent ad valorem against 7½ cents or 37½ per cent ad valorem, the rate earlier fixed by executive order on Swiss cheese.

Canada may be developing exportable surplus of butter

With imports of butter into Canada practically excluded by recently revised tariffs and with marked increase in production, Canada is apparently recovering her position as a butter-exporting country.

Butter production is continuing to increase during the current season as compared with the previous record output of the 1930 season. During the 5-months, January - May, it is officially estimated that creamery butter

production in all Canada exceeded that of the corresponding period of 1930 by 16,272,040 pounds, or 17.8 per cent.

Canada: Butter production, imports and exports, 1920-1930

Year	Production: Creamery	Production: Home-made a/	Year beginning April	Imports	Exports
	1,000 pounds	1,000 pounds		1,000 pounds	1,000 pounds
1920	111,602	103,487	1920-21	3,742	9,739
1921	123,745	100,000	1921-22	6,079	8,431
1922	152,502	100,000	1922-23	3,768	21,995
1923	162,835	100,000	1923-24	1,558	13,649
1924	178,894	100,000	1924-25	198	24,502
1925	169,495	100,000	1925-26	7,029	23,304
1926	177,209	95,000	1926-27	7,190	9,878
1927	176,979	95,000	1927-28	15,626	2,643
1928	168,027	90,000	1928-29	25,610	1,889
1929	170,810		1929-30	41,919	1,309
1930	183,854		1930-31	16,501	1,163

Official sources.
a/ Officially estimated.

Canadian butter tariffs have been raised very recently to a level that practically excludes imports. During the recent period of rapid growth of imports, butter from Australia and New Zealand was subject to a special preferential duty of 1 cent per pound except that a bounty-countervailing duty was collected after the inauguration of the Paterson plan on January 1, 1926, on Australian butter. On October 12, 1930, the rate on New Zealand butter, which then constituted the bulk of the imports, was raised to 8 cents a pound. After the ratification of an agreement entered into within the last few weeks on Australian butter, the duty will be 5 cents per pound. The rate applying since September 17, 1930, on butter from the United States is 14 cents a pound, the same as the United States tariff on all butter except from Australia on which there is levied the additional amount of the export bounty (now about 4 cents).

The practical disappearance of imports of butter into Canada since the increase in the tariff rate on New Zealand butter in October, 1930, is indicated on the following page.

Butter: Imports from New Zealand into Canada, by months, January, 1929, to date

Month	1929	1930	1931
	Pounds	Pounds	Pounds
Jan.	7,660,681	7,357,396	1,796
Feb.	6,598,476	8,509,598	132,338
Mar.	3,259,145	7,631,662	147,002
Apr.	1,505,314	2,455,061	7,100
May	2,337,834	2,838,575	56,026
June	421,192	2,852,529	
July	144,150	434,034	
Aug.	380,814	1,805,233	
Sept.	412,212	876,752	
Oct.	1,901,822	2,167,254	
Nov.	2,962,128	64	
Dec.	6,180,694	84,242	
Total . .	33,764,462	37,012,400	

Figures for 1929 and 1930 from report of American Consul General, Wesley Frost, Montreal, received in the United States Department of Agriculture July 16, 1931, subsequently from Dairy News Letter of Dominion Bureau of Statistics.

With imports of butter that had reached a maximum of 42 million pounds in 1928-29 now quite effectually excluded by the Canadian tariff and with exports of Canadian cream and milk to the United States which reached the equivalent of about 24 million pounds of butter in 1926-27 quite as effectually cut off by the United States tariff, the renewal of exports of butter from Canada, even though still comparatively small are significant. Canadian butter is exported largely by way of Montreal, according to American Consul General, Wesley Frost. Exports of butter from Montreal, according to a more recent report by the same authority, have already this season during a period of 9 weeks, May 2 to July 3, amounted to 2,895,200 pounds, which exceeded the total exports from Canada during the preceding 2 years.

New Zealand production but little in excess of previous season

Production in New Zealand as measured by quantities of butter and cheese graded was greater during the first 10 months of the season ended July 31, 1931, than in the corresponding period of 1929-30. The quantity of butter graded was greater by 0.93 per cent and cheese 3.78 per cent, while total butterfat production s officially calculated on the basis of these gradings was greater by 2.24 per cent. For 11 months ended June 30, 1930 and 1931, gradings were as follows, according to figures published by the Empire Marketing Board.

New Zealand: Quantities of butter and cheese graded, August-June, 1929-30 and 1930-31

Month	Butter		Cheese	
	1929-30	1930-31	1929-30	1930-31
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Aug.	6,606	6,805	1,174	1,447
Sept.	13,646	16,623	7,988	10,833
Oct.	25,023	25,742	19,311	22,010
Nov.	30,914	30,330	26,858	27,191
Dec.	32,937	34,572	29,906	34,041
Jan.	30,480	28,970	28,090	30,744
Feb.	25,155	24,300	23,773	24,420
Mar.	22,075	20,933	21,988	20,075
Apr.	15,006	13,919	18,005	15,973
May	7,847	9,462	11,814	9,323
June	2,191	3,210	5,215	2,943
Total 11 mos.	211,880	214,866	194,122	199,000

Butter: Price per pound in New York, Copenhagen, Berlin, and London for one day each week during July and August to date, with comparisons

Market and description	1931						1930
	July 9	July 16	July 23	July 30	Aug. 6	Aug.13	Aug.14
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score .	24.2	25.5	24.9	25.2	26.8	29.0	39.5
Copenhagen, off.quot.	23.7	23.7	23.1	22.1	22.5	24.6	29.7
Berlin, 1A quality	27.0	27.9	27.2	-	-		30.0
London:							
Danish	26.4	26.4	25.5	24.6	25.0	26.7	32.2
Dutch, unsalted . .	26.7	27.6	26.3	24.6	23.9	24.8	29.6
New Zealand	24.8	24.9	24.8	23.9	23.9	24.9	29.4
" " unsalted	25.2	25.4	25.3	24.8	24.6	25.2	32.4
Australian	23.8	23.9	23.7	22.9	23.0	24.0	29.0
" unsalted	23.8	24.0	24.0	23.7	23.5	24.3	29.1
Argentine "	23.8	24.1	23.5	23.2	23.7	23.7	28.0
Siberian	20.8	21.3	20.9	20.3	20.1	20.2	28.5

Cheese: Price per pound in New York and London for one day each week during July and August to date, with comparisons

Market and description	1931						1930
	July 9	July 16	July 23	July 30	Aug. 6	Aug.13	Aug.14
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies	14.5	14.5	14.8	15.0	15.8	15.8	19.0
London:							
Canadian, white	12.6	13.1	13.2	13.2	13.2	13.5	17.7
" ,colored	13.1	13.4	13.2	13.5	13.4	13.9	18.0
New Zealand, white	12.8	13.2	13.2	13.2	13.2	13.5	16.7
" " colored	13.4	13.8	13.7	13.6	13.6	13.9	17.7

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October 19, 1931

WORLD DAIRY PROSPECTS

Summary

Recent abnormal declines in domestic supplies of dairy products and advances in domestic prices have been accompanied by marked declines in foreign prices. As a result of these opposite price movements in domestic and foreign markets, price margins at present are approximately as wide as the present rate of import duty. The season of normally widest margins in favor of domestic prices usually occurs in the winter months, but offers of foreign butter are now attracting some attention in New York. Declines in London prices in terms of United States currency have been less marked to date in cheese than in butter, while domestic prices have not advanced on cheese as they have on butter. With domestic prices of cheddar cheese about a third higher, however, than the equivalent, at current exchange rates of London quotations, exportation to the United States as alternative to the British market tends to be stimulated. The effect of the depreciation of the pound sterling upon our trade with Great Britain in evaporated and dried milk has been to place our exporters at a disadvantage.

National economies are being attempted and emergency measures adopted alike in Great Britain and in Germany which indicate, at least temporarily, reduced consuming power in those two great world markets. At the same time emergency measures are being adopted in both countries with a view to increasing exports and decreasing imports. Great Britain had been consuming unusually large quantities of butter some of which would normally have been absorbed by Germany had not buying power already been lower in that country than in other recent years. During eight months January-August of this year

imports of butter into Great Britain were 16 per cent heavier than during the corresponding period of 1930, while imports into Germany were 26 per cent lighter.

Our exports of evaporated and dried milk to Great Britain have become increasingly important during the past year. During the first six months of 1931 imports into Great Britain from the United States amounted to 4,785,000 pounds of unsweetened milk powder and 8,299,000 pounds of evaporated milk while for corresponding periods of 1930, such trade amounted only to 1,060,000 pounds and 4,229,000 pounds, respectively.

Price margins widen rapidly in favor of domestic markets

Marked advances in domestic butter prices together with even more marked declines in foreign prices during the past month have resulted in the widening of price margins to the full amount of our import duty of 14 cents per pound. On October 8 the New York quotation on 92 score butter was 35.5 cents and the Copenhagen official quotation was equivalent at the rate of exchange quoted by the Federal Reserve Board as of that date to 20.5 cents, a difference of 15.0 cents. London quotations similarly converted were equivalent to 22.4 cents on best Danish and 20.7 cents on salted New Zealand butter.

Danish salted butter is officially reported as having been offered in New York this week at 24 cents, c. i. f. Several cars of Canadian butter are reported as arriving at time of writing at an average price of 33-34 cents laid down in New York City. New Zealand butter was reported as not creating much interest at present, or until the new season's make is offered.

Abnormal exchange rates have had considerable influence upon the rapid increase in the margins between domestic and foreign prices. Just before the drop in the value of the British pound sterling and subsequently in the Danish crown, the New York-Copenhagen margin had reached only 7.7 cents (September 17). Comparative prices given at the end of this review are shown as originally quoted in foreign currencies together with equivalents at changing rates of exchange.

In the foreign trade of the United States through August the most notable developments were heavier imports of cheese, some decline in exports of condensed and evaporated milk, and continued exports in important volume of various forms of dried or powdered milk.

United States: Imports and exports of dairy products, August, 1930, and July and August, 1931

Item	Unit	Imports 1930 Aug.	Imports 1931 July	Imports 1931 Aug.	Exports 1930 Aug.	Exports 1931 July	Exports 1931 Aug.
Butter	Lbs.	128,627	88,395	61,425	210,211	182,159	158,616
Cheese	"	3,686,716	3,413,352	4,389,168	137,223	148,220	123,538
Milk:							
Condensed	"	(378,525	177,117	167,237	3,520,683	1,861,534	1,476 681
Evaporated	"	(			5,223,472	5,891,967	4,465,514
Powdered, malted, etc.	"	a/	102,068	51,545	a/	1,106,122	1,178,865
Fresh	Gals.	174,020	6,834	71,696	(18,125	7,421	7,875
Cream, fresh	"	171,103	303	2,069	(		

a/ Classification not comparable with 1931.

Domestic production comparatively light

As compared with foreign production and with domestic production during corresponding months of the previous year, the manufacture of dairy products generally in the United States has continued notably light during the current pasture season to date. Even by comparison with the late summer months of last year when drought so seriously affected milk yields, factory production of butter and cheese has been lighter still. Following is a summary of final production figures for the last three years for certain products together with estimates of monthly production of butter and cheese available for the current year to date.

United States: Factory production of certain dairy products, calendar years, 1928-1930

Product	1928	1929	1930
	1,000 pounds	1,000 pounds	1,000 pounds
Butter	1,487,049	1,597,027	1,594,826
Cheese, American, whole milk	335,253	370,314	389,834
Cheese, Swiss, including block	16,718	19,406	26,393
Cheese, brick and munster	28,960	31,763	34,471
Cheese, cream and Neufchatel	30,589	34,405	33,213
Cheese, Italian varieties	3,587	5,948	8,573
Condensed milk	333,826	401,718	344,110
Evaporated milk	1,584,601	1,804,930	1,770,338
Powdered whole milk	9,605	13,202	15,440
Powdered skim milk	147,996	207,579	259,991

Final reports of Division of Dairy and Poultry Products.

United States: Estimated factory production of butter and American cheese, by months January, 1931 to date with comparisons

Month	Butter			American cheese		
	1930	1931	Percentage change 1931 to 1930	1930	1931	Percentage change 1931 to 1930
	1,000 pounds	1,000 pounds	Per cent	1,000 pounds	1,000 pounds	Per cent
Jan.	108,359	115,544	+ 6.63	24,092	22,452	- 6.8
Feb.	102,228	108,050	+ 5.69	23,463	21,788	- 7.1
Mar.	115,647	125,189	+ 8.25	29,024	28,580	- 1.5
Apr.	133,242	142,528	+ 6.96	34,889	33,584	- 3.8
May	184,349	177,543	- 3.70	49,699	43,743	- 12.0
June	189,744	190,278	+ 0.28	55,189	51,912	- 5.9
July	167,509	158,126	- 5.61			
Aug.	137,374	136,769	- 0.45			
Total	1,138,452	1,154,027	+ 1.36	216,356	202,059	- 6.6

Margarine production in the United States is reported as having declined from 22,073,014 pounds during August, 1930, to 15,627,405 pounds during August 1931.

European supplies of butter, as measured by imports into Great Britain and Germany, continued to run heavier during August than in August of last year, making the total for the eight months of this year heavier than in the corresponding period of last year by about 5 per cent. The comparative weakness of demand from Germany continued during August as indicated by the much lighter importation than a year earlier.

Butter: Imports into Great Britain and Germany, January - August 1930 and 1931

Month	Great Britain		Germany		Total	
	1930	1931	1930	1931	1930	1931
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan....	72,019	75,645	24,796	17,111	96,815	92,756
Feb....	58,655	66,879	17,634	17,102	76,289	83,981
Mar....	63,488	63,009	19,316	15,226	82,804	78,235
Apr....	65,425	75,095	21,264	16,001	86,689	91,096
May....	68,171	80,994	23,313	19,279	91,484	100,273
June...	76,492	84,738	23,589	17,857	100,081	102,595
July...	60,603	90,528	33,069	19,841	93,672	110,369
Aug....	60,875	73,698	26,493	18,824	87,368	92,522
Total 8 mos.	525,728	610,586	189,474	141,241	715,202	751,827

Imports of cheese into Great Britain during the eight month periods January-August were lighter than in either of the two preceding years, having amounted to 212,685,000 pounds this year against 231,572,000 pounds in 1930 and 234,204,000 pounds in 1929.

Butter and cheese stocks relatively light in United States

Stocks of creamery butter and American cheese in cold storage are apparently lighter by comparison with normal in the United States than in important foreign countries.

Holdings of butter in this country on October 1 amounted to 80,173,000 pounds compared with 151,489,000 pounds a year earlier and with 138,168,000 pounds as the 5-year average. In Great Britain stocks totaling 51,555,000 pounds on September 5 were lighter than a year earlier by only 2,639,000 pounds, indicating a relative increase over earlier months of this year when stocks were unusually light. In Canada, on September 1, holdings of creamery butter amounted to 39,945,000 pounds against 39,571,000 pounds a year earlier and 32,112,000 pounds as the 5-year average. New Zealand stocks as of July 31 amounted to 6,440,000 pounds against 6,292,000 pounds on the same date last year. Storage of butter in the Irish Free State is expected to prevent winter imports this year. Under the new tariff policy as affecting butter in the Irish Free State the quantity of butter in cold storage is reported as being checked by the Irish Department of Agriculture with a view to insuring that storage holdings together with the probable domestic production from December to March shall be sufficient for domestic consumption without report to importation. It has been the usual practice in previous years for the Irish Free State to import several million pounds of butter during the winter season.

Cheese stocks are not reported for Great Britain. On September 1, Canadian stocks of cheese amounted to 29,829,000 pounds compared with 30,976,000 pounds on September 1, 1930, while New Zealand stocks on July 31 this year and last were 10,586,000 pounds and 2,648,000 pounds respectively. In the United States, on the other hand, American cheese stocks were relatively light amounting to 65,832,000 pounds on October 1, against stocks a year earlier totaling 85,076,000 pounds, and a 5-year average of 78,965,000 pounds.

British consumption has been on an abnormally high level. Statements in earlier reviews referring to the notable increase in consumption of butter in Great Britain were confirmed by the annual review of W. Weddell & Company Ltd., of London covering the twelve months ended June 30, 1931. The record consumption is referred to as the more notable in view of an increase during the year of 30 per cent in unemployment in Great Britain. "Although the Home make of butter must have been well up to normal and imports were heavier than they have ever been in any previous year, stocks in store at the end of the period were very much smaller than at the beginning. This means that in a year of unparalleled industrial depression and financial stringency, the quantity of butter eaten by the people of this country was at least 10 per cent greater than in any other year." "There seems to be no doubt that the margarine trade must have suffered very severely through its usual customers changing over to butter on more or less level terms."

The apparent consumption of imported butter in Great Britain is estimated by the Empire Marketing Board for the four weeks from August 8 to September 5 to have been 72,240,000 pounds or 46 per cent more than during the corresponding period of last year when 49,504,000 pounds were consumed.

Increases in butter supplies

Practically the whole of the 11 per cent increase in arrivals last year came from British Dominion sources. It is pointed out in the review referred to above that although reduced shipments were received from the Irish Free State record totals were received from both New Zealand and Australia. From New Zealand 196 million pounds were received against 147 million pounds in 1929-30, and from Australia, 140 million pounds and 92 million pounds, respectively. Total imports from the British Dominions were 391 million pounds, or 27 per cent more than was received in the preceding year.

The increase in New Zealand butter supplies reaching British markets reflects not only increased New Zealand production, which was not at all proportionate, but includes important quantities diverted from Canadian markets by the tariff which had practically excluded New Zealand butter from Canada. Imports of butter into Canada, which had amounted during the twelve months ended June 30, 1930, to 44,859,000 pounds, fell to 8,709,000 pounds during 1930-31. As pointed out in earlier reviews, Canada is now developing an important export trade in butter after a period of several years in which it absorbed very considerable quantities of butter from Southern Hemisphere sources. Imports into Great Britain of "foreign" as distinguished from "Empire" butter totaled slightly less during 1930-31 than in 1929-30, having amounted to 416 million pounds and 417 million pounds, respectively. Argentina and Denmark supplied increased quantities, but, again in the case of Danish butter, the increase resulted from diversion of supplies rather than from increased production alone. Germany took about 8 per cent less butter in that year, and Danish butter sought the British and other alternative markets in greater volume as a consequence. Latest available reports indicate very favorable production conditions for the new season now beginning in both New Zealand and Australia. In Canada and many countries outside the Empire group production was checked last year.

New season begins in New Zealand with increased output

Substantially heavier production is reported from New Zealand for August, the first month of the new seasonal year, than that of August 1930. The increase is officially estimated at 12.8 per cent in the butterfat equivalent of butter and cheese graded. While comparisons on a percentage basis may be misleading owing to the small quantities as yet involved, the increase in butter, the principal product during that month, was 1,342,000 pounds, the total for the month having reached 8,147,000 pounds.

The total quantity of butter graded in New Zealand during the seasonal year ended July 31, 1931, is given below together with comparable figures for the three preceding years and with exports for the same periods.

New Zealand: Quantities of butter graded and exported during seasonal years 1927-28 to 1930-31

Year beginning Aug. 1	Graded	Exported
	1,000 pounds	1,000 pounds
1927-28	165,364	166,177
1928-29	182,909	174,337
1929-30	213,570	210,195
1930-31	217,349	215,915

Butter: Price per pound in New York, Copenhagen, Berlin and London for one day each week, September 17 to October 8,1931 with comparisons

Market and description	Sept. 17 1931	Sept. 24 1931	Oct. 1 1931	Oct. 8 1931	Oct. 9 1930
	Cents	Cents	Cents	Cents	Cents
New York, 92 score. .	33.5	33.0	34.5	35.5	40.0
Copenhagen, off.quot..	25.8	26.1	21.8	20.5	29.2
Berlin, 1 A- quality ..	27.2	27.2	25.1	24.6	28.1
London :					
Danish	28.5	22.2	24.2	22.4	31.5
Dutch, unsalted. . ..	26.3	22.2	25.8	23.9	30.0
New Zealand	24.2	19.2	21.6	20.7	24.6
" " unsalted	24.1	18.9	21.7	20.8	32.2
Australian	23.0	18.2	20.8	20.1	24.3
" unsalted	23.0	18.1	20.8	19.9	28.2
Argentina unsalted	23.2	17.8	20.5	19.8	25.2
Siberian	19.6	15.7	18.7	17.9	23.7

Quotations as of September 17 on all foreign markets converted at par of exchange, that is, 26.8 cents on the Danish krone, 23.82 cents on the German mark, and $4.867 on the English pound sterling (24.33 cents on the shilling). Market rates of exchange used for subsequent dates as follows: Denmark, September 24, par; October 1, 22.10 cents; October 8, 22.15 cents: Germany, September 24 and October 1, par. October 8, 23.32 cents: Great Britain, September 24, $3.65, October 1 $3.98 and October 8, $3.885.

Cheese: Price per pound in New York and London for one day each week September 17, to October 8, 1931, with comparisons

Market and description	Sept. 17 1931	Sept. 24 1931	Oct. 1 1931	Oct. 8 1931	Oct. 9 1930
	Cents	Cents	Cents	Cents	Cents
New York, single daisies	16.6	16.6	16.5	16.4	20.0
London :					
Canadian, white . .	13.2	10.7	12.62	12.1	16.8
" , colored	13.5	10.7	12.62	12.3	16.7
New Zealand, white	13.0	10.7	12.62	12.1	15.2
" " , colored	13.5	10.8	12.62	12.1	15.0

See footnote above for explanation of rates of exchange as affecting comparative prices.

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November 13, 1931

WORLD DAIRY PROSPECTS

Summary

The drop in domestic prices since mid-October materially lessened the threat of importation over the 14-cent import duty which had made the market uneasy in early October. Domestic production had continued comparatively light through September, storage holdings in the United States were the lowest on record for October 1, and heavy supplies, particularly from Southern Hemisphere sources, reaching British markets during early October, were realizing abnormally low prices in equivalent United States currency owing to the sudden depreciation of the pound sterling. In October dairying in the United States generally shifted from major dependence upon pasture, which had been below average, to feeding from supplies of abnormally cheap concentrates. Production increased and the prices of dairy products in the United States declined until the margin of prices on comparable grades of butter in New York and Copenhagen has narrowed from 15 cents in early October to 9 cents on November 5. Southern Hemisphere production which is now in the flush of the new season is about the same as last season to date in New Zealand, and much heavier than the previous record of last year in Australia, while Argentine exports are continuing the steady increase of the past several years.

Drop in domestic prices averts imports

Butter prices declined about 6 cents during the past month in domestic markets while on comparable grades in the principal European markets prices are practically the same as a month ago. During the several weeks in which the price differences approximated the 14 cent import duty, some shipments of Canadian butter together with offers of other foreign butter

for future delivery were an important factor in the domestic market. As has often occurred in earlier years when tariff rates were equalled by price differences, the margin was subsequently narrowed to less than the import duty by a drop in domestic prices with foreign prices remaining practically unchanged.

Prices of American cheese have likewise declined more during the past month in New York than on Canadian and New Zealand cheese in London. As compared with a year ago, prevailing prices of butter and cheese are on a lower level in both domestic and foreign markets. The margin in favor of the New York butter price over Copenhagen on November 5 was 9 cents against 10 cents a year ago, while on New Zealand cheese in London as compared with a closely comparable grade of cheese in New York, the margin was 3.4 cents against 2.6 cents a year ago.

Foreign trade of the United States during September, the latest month covered by available official reports, was not much affected, of course, by the most recent price changes, but showed some increase in imports of cheese and some decline in exports of condensed, evaporated, and powdered milk.

United States: Imports and exports of dairy products, September, 1930, and August and September, 1931

Item	Unit	Imports			Exports		
		1930	1931		1930	1931	
		Sept.	Aug.	Sept.	Sept.	Aug.	Sept.
Butter	Lbs.	116,971	61,425	76,471	184,728	158,616	137,963
Cheese	"	4,333,072	4,389,168	5,515,053	121,342	123,538	116,049
Milk							
Condensed..	"	289,489	167,237	87,037	1,478,684	1,476,681	1,308,899
Evaporated..	"				5,451,777	4,465,514	3,659,135
Powdered, malted, etc..	"	a/	51,545	36,925	a/	1,178,865	981,698
Fresh.....	Gals.	170,339	71,69[illegible]	11,568	17,139	7,875	8,975
Cream, fresh..	"	214,825	2,069	5[illegible],498			

a/ Classification not comparable with 1931.

Domestic supplies until very recently comparatively light

Domestic creamery butter production during the first 9 months of 1931 is estimated to have been heavier than during the corresponding period of 1930 by 0.9 per cent while European supplies as measured by imports into Great Britain and Germany were heavier by 4.9 per cent. The following tabulation indicates the comparatively light output of creamery butter during recent months just preceding the feeding season and the October

drop in domestic prices. Partial reports covering recent weeks indicate that butter production during late October was substantially in excess of that during corresponding weeks of the previous October. Storage holdings - 80 million pounds - on October 1 were the lightest October 1 stocks on record and heavy withdrawals before the mid-October break in prices reduced total storage holdings for November 1 to 54 million pounds.

United States: Estimated factory production of butter and American cheese, by months, January - September, 1930 and 1931

Month	Butter			American cheese		
	1930	1931	Percentage change 1931 to 1930	1930	1931	Percentage change 1931 to 1930
	1,000 pounds	1,000 pounds	Per cent	1,000 pounds	1,000 pounds	Per cent
Jan.	108,359	115,544	+ 6.63	24,092	22,452	- 6.8
Feb.	102,228	108,050	+ 5.69	23,463	21,788	- 7.1
Mar.	115,647	125,189	+ 8.25	29,024	28,580	- 1.5
Apr.	133,242	142,528	+ 6.96	34,882	33,584	- 3.7
May	184,349	177,543	- 3.70	49,684	43,743	-12.0
June	189,744	190,278	+ 0.28	55,179	51,912	- 5.9
July	167,509	158,126	- 5.61	46,894	43,060	- 8.2
Aug.	137,374	136,769	- 0.45	34,598	35,012	+ 1.2
Sept.	122,539	118,202	- 3.54	27,662	29,425	+ 6.4
Total	1,260,991	1,272,231	+ 0.89	325,478	309,557	- 4.9

Compiled from reports of Division of Dairy and Poultry Products.

Great Britain and Germany together imported 5 per cent more butter in 9 months of 1931 than during the same period in 1930. German importation continued lighter by 30 per cent during September as compared with the previous September and by 27 per cent during the 9 months. Great Britain, on the other hand, took 20 per cent more butter during September than a year ago and 17 per cent more for the 9 months of this year than last. Quantities imported by months during this year to date with comparisons are given on the following page.

Butter: Imports into Great Britain and Germany, by months, 1930 and 1931

Month	1930			1931		
	Great Britain	Germany	Total	Great Britain	Germany	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan. ...	72,019	24,692	96,711	75,645	17,111	92,756
Feb. ...	58,655	17,637	76,292	66,879	17,102	83,981
Mar. ...	63,488	19,400	82,888	63,009	15,226	78,235
Apr. ...	65,425	21,164	86,589	75,095	16,001	91,096
May	68,171	23,369	91,540	80,994	19,279	100,273
June ...	76,492	23,589	100,081	84,738	17,857	102,595
July ...	60,603	33,069	93,672	90,528	19,841	110,369
Aug. ...	60,875	26,455	87,330	73,698	18,824	92,522
Sept. ..	55,667	27,337	83,004	66,879	18,519	85,398
9 months	581,395	216,812	798,207	677,465	159,760	837,225
Oct. ...	57,735	29,321	87,056			
Nov. ...	51,667	26,235	77,902			
Dec. ...	73,986	21,384	95,370			
Total ..	764,783	293,652	1,058,535			

Cheese reaching Great Britain, the principal world market for cheddar cheese, amounted during September to 21,959,000 pounds or 16 per cent less than the previous September and during the first 9 months of this year to 234,643,000 pounds against 257,772,000 pounds last year, a decrease of 9 per cent. September imports were much lighter from New Zealand and materially heavier from Canada than in September, 1930.

Canadian butter production increasing markedly

Butter production in Canada as officially estimated for the 8 months, January through August, exceeded that of the same months of last year by 29,289,660 pounds or 15.1 per cent. This increase in production is reflected in a shift from a net importation during the 8 months of 1930 amounting to 34,278,000 pounds to a net exportation during the same months of 1931 of 3,402,000 pounds. Total exports up to the end of August this year amounted to 6,218,900 pounds, and exportation has since continued important with some shipments having been made direct to the United States. During the 12 months ended August 31, exports of butter slightly exceeded the imports while during the preceding 12 months, imports had greatly exceeded exports. Meanwhile, cheese exports declined but slightly.

Holdings of creamery butter in all Canada on October 1, 1931 amounted to 40,658,518 pounds against 37,775,786 pounds on October 1, 1930, and 32,569,129 pounds as the 5-year October1 average, according to the final report of the Dominion Bureau of Statistics.

Official estimates of butter production during September indicate heavy increases over September of last year in each of the prairie provinces, Manitoba, Saskatchewan, and Alberta.

Canada: Imports and exports of butter and cheese, September - August, 1930 and 1931

Commodity	12 months ended Aug. 31, 1930		12 months ended Aug. 31, 1931	
	Imports	Exports	Imports	Exports
	Pounds	Pounds	Pounds	Pounds
Butter	46,568,294	1,202,600	6,467,498	6,722,500
Cheese	2,029,821	85,226,500	1,533,513	79,162,400

Australian butter production exceeding that of previous record season

Production of butter in Australia as indicated by quantities graded was heavier during the 9 weeks from August 1 to October 3 of this season than during the corresponding period of the previous record season of 1930-31 by 60 per cent. Gradings amounted to 12,302,000 pounds and 7,697,000 pounds, respectively, and exports were increased in even greater proportion. The increase over corresponding weeks of last season was greater during the early weeks, but continued to be very substantial in early October.

Exports of butter from Australia during the year ended June 30, 1931, amounted to 163,590,000 pounds, as compared with the previous record of 145,281,000 pounds in 1924-25 and 107,551,000 pounds during the 1929-30 season. The unprecedented volume of exports during the past season made less profitable to the Australian dairy industry the export bounty provided for by a levy on production under the Paterson Plan. The bounty has recently been reduced to $2\frac{1}{2}$ pence or about 5 cents per pound and the levy maintained, according to latest information, at $1\frac{3}{4}$ pence or $3\frac{1}{2}$ cents per pound which leaves the margin between the levy and the bounty narrower and the plan accordingly less profitable to the dairy industry than it was previously.

Shipments afloat from Australia as of October 22 were reported by the Empire Marketing Board as amounting to 8,176,000 pounds against 6,496,000 pounds as of October 25, 1930 and 5,320,000 pounds as of October 26, 1929.

New season somewhat unfavorable to New Zealand production

Total butterfat production in New Zealand has been slightly less during the current season to date than during the early part of the previous season when conditions were unusually poor.

The output for the entire seasonal year, August 1, 1930, to July 31, 1931, had resulted in the smallest increase (2.5 per cent) over the preceding year since the 1927-28 season. The rapid rate of increase in exports during recent years generally is indicated below by figures compiled from the Seventh Annual Report of the New Zealand Dairy Produce Export Control Board.

New Zealand: Rates of increase or decrease in exports of butter and cheese and of their total butterfat content during seasonal years 1924-25 to 1930-31

Year beginning Aug. 1	Percentage increase over preceding year		
	Butter	Cheese	Total butterfat
	Per cent	Per cent	Per cent
1924-25	13.6	a/ - 5.2	6.8
1925-26	a/ - 10.9	5.9	a/ - 5.6
1926-27	14.6	2.9	10.5
1927-28	4.2	a/ - .7	2.6
1928-29	9.3	14.3	10.9
1929-30	16.8	.7	10.4
1930-31	1.8	2.3	2.5

a/ Decrease.

During the first 10 weeks of the new season, from August 1 to October 10, the quantities of butter received into storage amounted to 31,492,000 pounds, an increase of 3.2 per cent over the corresponding period of the 1930-31 season, while cheese receipts amounting to 11,768,000 pounds were lighter than last season by 38 per cent.

New Zealand: Receipts of butter and cheese into store, August 1, 1931, to date of latest information, with comparisons

Week ended	Butter 1930 Boxes a/	Butter 1931 Boxes a/	Cheese 1930 Crates b/	Cheese 1931 Crates b/
Aug. 8	15,000	21,500	400	300
" 15	23,500	28,000	1,300	500
" 22	34,000	38,000	2,300	800
" 29	39,000	45,000	5,150	1,500
Sept. 5	52,000	55,000	8,500	3,000
" 12	61,500	59,500	13,000	6,150
" 19	65,000	67,000	17,000	10,000
" 26	74,000	75,000	20,500	13,500
Nov. 3	88,000	79,000	23,500	17,000
" 10	92,000	94,000	26,500	20,500
Total 10 weeks	544,000	562,000	118,150	73,250

Empire Marketing Board. Figures as published in Weekly Dairy Produce Notes and cables by Agricultural Attache' in London.
a/ Fifty-six pounds. b/ One hundred and sixty pounds.

Butter: Shipments afloat from Southern Hemisphere sources on October 22, 1931 with comparisons

Country	Oct. 22, 1931 Pounds	Oct. 25, 1930 Pounds	Oct. 26, 1929 Pounds
New Zealand. . . .	16,072,000	13,160,000	10,696,000
Australia	8,176,000	6,496,000	5,320,000
Argentina	2,184,000	1,960,000	672,000
Total . . .	26,432,000	21,616,000	16,688,000

Arrivals of butter in Great Britain from countries of the Southern Hemisphere were much heavier during October than a year ago, according to the Empire Marketing Board. The following figures are taken from Weekly Dairy Produce Notes representing reports by the Board of actual arrivals up to October 22 and estimated arrivals for the two weeks ended November 5, with comparisons for corresponding weeks of last year.

Butter: Arrivals in Great Britain from Australia, New Zealand, and Argentina

Week ended	1930 Pounds	1931 Pounds
Oct. 1	3,955,840	2,434,880
8	3,034,640	3,449,040
15	3,956,400	3,162,320
22	7,029,680	10,127,040
29	817,040	2,578,240
Nov. 5	4,109,280	8,177,120
Total	22,902,880	29,928,640

Stocks of butter held in storage in Great Britain were officially estimated as amounting to 40,612,000 pounds on October 17 against 41,630,000 pounds on October 18, 1930. Well maintained consumption is indicated by the net withdrawals of butter from cold storage amounting during the four weeks ended October 17 to 10,517,000 pounds compared with 8,064,000 pounds during the corresponding period of 1930.

Butter: Price per pound in New York, Copenhagen, Berlin and London, for one day each week, October 1931, with comparisons

Market and description	1931						1930
	Oct. 1	Oct. 8	Oct. 15	Oct. 22	Oct. 29	Nov. 5	Nov. 6
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score	34.5	35.5	35.5	32.5	30.5	29.2	38.5
Copenhagen, cff.quot	21.8	20.5	20.5	22.5	20.9	20.2	28.0
Berlin, 1A quality	25.1	24.6	23.3	25.2	26.4		29.6
London:							
Danish	24.2	22.4	22.4	24.6	23.0	22.4	30.9
Dutch, unsalted ..	25.8	23.9	24.0	24.8	25.1	24.3	31.5
New Zealand	21.6	20.7	20.3	20.7	20.2	19.6	24.3
" " unsalted	21.7	20.8	20.5	20.9	20.5	20.0	33.0
Australian	20.8	20.1	20.4	19.7	19.5	18.6	23.5
" unsalted	20.8	19.9	19.4	19.8	19.6	18.8	27.8
Argentine, "	20.3	19.8	19.8	19.8	19.4	18.6	23.9
Siberian	18.7	17.9	17.5	17.5	17.1	16.5	22.2

Foreign prices converted at prevailing rates of exchange.

Cheese: Price per pound in New York and London for one day each week, October 1931, with comparisons

Market and description	1931						1930
	Oct. 1	Oct. 8	Oct. 15	Oct. 22	Oct. 29	Nov. 5	Nov. 6
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies	16.5	16.4	16.0	15.6	16.4	15.1	19.5
London:							
Canadian, white ..	12.6	12.1	12.0	11.8	11.9	11.7	16.9
" colored	12.6	12.3	12.0	11.9	12.0	11.9	16.7
New Zealand, white	12.6	12.1	11.6	11.7	11.9	11.6	16.2
" " colored	12.6	12.1	11.8	11.7	11.8	11.5	15.2

Foreign prices converted at prevailing rates of exchange.

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December 24, 1931

WORLD DAIRY PROSPECTS

Summary

World prices of dairy products have declined during recent months when normally they would have been subject to a seasonal rise. Domestic prices have been affected predominantly by abnormally heavy fall production of milk and of most milk products. In important foreign markets, supplies have likewise been unusually heavy, particularly from Southern Hemisphere sources, and prices, in terms of United States currency, have been still further lowered by depreciation of certain foreign currencies. Finest New Zealand butter was quoted in London on December 17 at the equivalent of 14.9 cents per pound as compared with 30.5 cents on 92 score butter in New York, a difference of 15.6 cents. New Zealand cheese on that date was quoted in London at the equivalent of 8.6 cents against 14.2 cents on "single daisies" in New York, a difference of 5.6 cents. Figures covering current trade of the United States are not at hand, but October reports already showed some material importation of butter, increased imports of cheese and continued decline in exports of condensed and evaporated milk. Record supplies of butter from Southern Hemisphere sources were being maintained in early December, according to latest available reports.

Relatively low foreign prices reflected in United States trade

Since mid-October world prices of butter and cheese have declined rather steadily to date whereas usually in both domestic and European markets prices are rising during this period and reach about the peak for the year in December. Comparative prices in important European butter markets have been depressed by a combination of record supplies from Southern Hemisphere sources and low rates of exchange at New York on Great Britain and important butter exporting countries. Domestic price declines have been due largely to increasingly heavy fall production of milk and of manufactured dairy products, with the exception of condensed and evaporated milk. With apparent trade output of all dairy products except condensed milk materially better in the United States during October and November than a year ago, the com-

paratively low level of foreign prices apparently has had some limiting effect upon the normal seasonal price movement in the domestic market.

An outstanding development indicated in the comparative price statement below is the marked decline in London prices of butter from Southern Hemisphere sources particularly during the past month. On November 5, finest New Zealand butter at the equivalent of 20 cents in London was 9 cents under 92 score in New York but by December 17, New Zealand in London was equivalent to 15 cents and was 15.5 cents under New York. Montreal prices, which are included in the comparisons this month, were lower by 13 cents than New York on December 17 when converted at the current rate of exchange.

The extent to which exchange rates enter into present margins between domestic and foreign prices is indicated by the fact that the pound sterling on December 17 was quoted at $3.39 or 70 per cent of par, ($4.87). Internal prices in Great Britain have of course become adjusted in some measure to the depreciated currency. The London quotation on New Zealand butter as of December 17, if converted at par of exchange, would have been equivalent to 21 cents a pound and at the prevailing rate is equivalent to 15 cents. Within the current month, however, with exchange quotations making a slight advance, London quotations on New Zealand butter declined from 107-110 shillings per hundredweight (112 pounds) on December 3 to 97-100 shillings on December 17. Shipments of butter reported afloat from New Zealand as of December 3 amounted to 36,792,000 pounds against 26,320,000 pounds on December 11, 1930. New Zealand cheese prices in London similarly declined from the equivalent of 11.5 cents on November 5 to 8.6 cents on December 17, while New York quotations on "single daisies" were 14.25 a decline of about 1 cent.

In the foreign trade of the United States, developments during October included a small though significant increase in butter imports from 76,000 pounds in September and 61,000 pounds in October, 1930, to 587,000 pounds. Most of the half-million pounds increase over the previous month came from Canada. Total imports of cheese amounting to 7,179,000 pounds were about the same as were received in October of last year but represent a considerable increase over September imports of 5,515,000 pounds. The increase was principally in varieties other than Swiss. Exports of condensed and evaporated milk have been declining steadily since July, whereas last year exports increased over this period.

United States: Imports and exports of dairy products, October, 1930, and September and October, 1931

Item	Unit	Imports 1930 Oct.	Imports 1931 Sept.	Imports 1931 Oct.	Exports 1930 Oct.	Exports 1931 Sept.	Exports 1931 Oct.
Butter	lbs.	61,326	76,471	586,615	178,104	137,963	111,584
Cheese	"	6,325,023	5,515,053	7,178,652	183,214	116,049	139,688
Milk-							
Condensed..	"	(51,841	87,037	62,647	1,718,347	1,308,899	1,179,700
Evaporated.	"	(			4,718,305	3,659,135	3,610,212
Powdered, malted, etc.	"	a/	35,498	110,947	a/	981,698	1,123,173
Fresh	Gals.	60,157	36,925	40,186	(17,496	8,975	6,302
Cream, fresh.	"	158,925	11,568	13,986	(		

a/ Classification not comparable with 1931.

Foreign supplies comparatively heavy

Butter supplies during the first ten months of 1931 have been relatively heavier in European markets than in the United States. Domestic production of creamery butter is officially estimated to have been heavier by about 1 per cent and apparent trade output to have been about 2 per cent heavier than during the corresponding period of 1930. Supplies of imported butter reaching Great Britain and Germany, which have likewise been absorbed together with some lessening of stocks, were greater during the ten months of this year than last by 5 per cent. In Great Britain, alone, the calculated increase in apparent consumption of butter amounts to 89 million pounds or 14.5 per cent over the corresponding period of last year.

Butter: Imports into Great Britain and Germany, by months, 1930 and 1931

Month	1930			1931		
	Great Britain	Germany	Total	Great Britain	Germany	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	72,019	24,692	96,711	75,645	17,111	92,756
Feb.	58,655	17,637	76,292	66,879	17,102	83,981
Mar.	63,488	19,400	82,888	63,009	15,226	78,235
Apr.	65,425	21,164	86,589	75,095	16,001	91,096
May	68,171	23,369	91,540	80,994	19,279	100,273
June	76,492	23,589	100,081	84,738	17,857	102,595
July	60,603	33,069	93,672	90,528	19,841	110,369
Aug.	60,875	26,455	87,330	73,698	18,824	92,522
Sept.	55,667	27,337	83,004	66,879	18,519	85,398
Oct.	57,735	29,321	87,056	71,785	21,605	93,390
10 months .	639,130	246,033	885,263	749,250	181,365	930,615
Nov.	51,667	26,235	77,902			
Dec.	73,986	21,384	95,370			
Total ...	764,783	293,652	1,058,535			

Cheese reaching Great Britain, the principal world market for cheddar cheese, amounted during October to 31,181,000 pounds or 27 per cent more than the previous October and during the first ten months of this year to 265,824,000 pounds against 282,572,000 pounds last year, a decrease of 9 per cent. September imports were much lighter from New Zealand and materially heavier from Canada than in September, 1930. The increase in October over September, amounting in all to 9,222,000 pounds, resulted from well-maintained Canadian shipments as well as increased arrivals from New Zealand.

Butter imports into Great Britain during October amounted to 71,785,000 pounds, compared with 66,879,000 pounds in September and 57,735,000 pounds in October, 1930. The most considerable increase over a year ago was from Australia with 12,735,000 pounds, or more than twice as much as in October of last year. Imports during the first ten months of this year amounted to 749,250,000 pounds against 639,130,000 pounds during the corresponding period of 1930, an increase of 17 per cent. The most marked increases were from Russia, Australia, and New Zealand. The Soviet Union supplied 37,477,000 pounds against 16,519,000 pounds during the ten months of 1930, Australia 135,763,000 pounds as compared with 80,205,000 pounds, and New Zealand 173,352,000 pounds against 140,652,000 pounds a year ago. Consumption of

imported butter in Great Britain during the first ten months of 1931 can be estimated by allowing for exports of foreign supplies and changes in storage stocks to have exceeded that of the corresponding period of 1930 by approximately 15 per cent.

Great Britain: Imports of butter and apparent consumption of imported butter, January to October, 1930 and 1931

Imports from	Jan.-Oct. 1930	Jan.-Oct. 1931
	1,000 pounds	1,000 pounds
Soviet Union	16,519	37,477
Finland	23,267	24,247
Estonia	10,743	13,248
Sweden	27,792	20,687
Denmark	218,570	234,272
Netherlands	9,010	9,884
Argentine Republic	36,288	32,041
Irish Free State	55,179	39,849
Australia	80,205	135,763
New Zealand	140,352	173,352
Other countries	20,904	28,430
Total imports	639,130	749,230
Reexports	10,388	27,838
Net imports	628,742	721,382
Accumulated holdings	16,161	19,981
Apparent consumption	612,581	701,401

Increase in consumption, ten months of 1931 over ten months, 1930 = 88,820,000 pounds, or 14.5 per cent.

Record Southern Hemisphere supplies

In both New Zealand and Australia the output of butter during the current season to date has been the heaviest on record and shipments now afloat are accordingly heavier than a year ago. Receipts into grading stores are given below by weeks as compiled from reports of the Empire Marketing Board in Great Britain.

Butter: Receipts into grading stores in New Zealand and Australia

Week ended	New Zealand 1930	New Zealand 1931	Australia 1930	Australia 1931
	Boxes	Boxes	Cwts.	Cwts.
Aug. 8	15,000	21,500	8,020	18,900
15	23,500	28,000	7,980	16,560
22	34,000	38,000	9,500	19,340
29	39,000	45,000	11,540	21,600
Sept.5	52,000	55,000	13,060	23,420
12	61,500	59,500	16,080	29,200
19	65,000	67,000	19,240	27,020
26	74,000	75,000	23,320	30,080
Oct. 3	88,000	79,000	28,700	33,560
10	92,000	94,000	27,840	38,200
17	98,000	108,000	32,780	41,120
24	111,000	123,000	36,560	43,880
31	109,000	125,950	43,660	45,460
Nov. 7	117,500	133,200	42,040	43,840
14	125,000	135,000	47,720	47,540
21	129,000	146,000	46,720	50,200
28	137,000	143,000		
Dec. 5	132,000	a/ 148,000		
12	132,500	a/ 146,000		
Total	1,635,000	1,770,150	414,760	529,920
Total, in pounds	91,560,000	99,128,400	46,453,120	59,351,040

a/ Received from same source by cable through London office of American Agricultural Attache.

Butter: Shipments afloat from Southern Hemisphere sources

From	Dec. 3, 1931	Dec. 3, 1930	Dec. 7, 1929
	Pounds	Pounds	Pounds
New Zealand	36,841,000	20,943,000	16,240,000
Australia	18,582,000	17,620,000	12,768,000
Argentina	4,214,000	4,250,000	1,736,000
Total	59,637,000	42,813,000	30,744,000

Butter: Price per pound in New York, Copenhagen, Berlin, and London, for one day each week, November and December 1931, with comparisons

Market and description	1931							1930
	Nov. 5	Nov. 12	Nov. 19	Nov. 26	Dec. 3	Dec. 10	Dec. 17	Dec. 18
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, 92 score ...	29.2	30.5	32.0	31.0	30.5	30.2	30.5	30.0
Copenhagen, off. quot.	20.2	20.4	19.5	18.7	18.4	18.7	19.1	27.7
Berlin, 1A quality ...	24.5	24.4	24.5	23.0	23.0	22.7		30.5
Montreal, creamery a/	18.6	18.6	18.4	18.3	18.3	17.8	17.5	27.8
London -								
Danish	22.4	22.6	21.9	20.7	20.2	20.9	20.7	30.4
Dutch, unsalted	24.3	23.9	23.1	21.6	21.8	21.6	22.1	31.1
New Zealand	19.6	18.9	18.3	17.0	16.3	15.5	14.9	24.1
" " unsalted	20.0	20.0	19.7	18.6	17.8	17.6	17.4	25.0
Australian	18.6	18.1	17.6	16.6	16.0	15.2	14.6	23.7
" unsalted	18.8	18.4	18.1	17.3	16.5	16.3	16.2	24.1
Argentine "	18.6	18.0	17.2	15.7	14.6	14.3	14.8	23.5
Siberian	16.5	16.1	15.6	14.9	14.3	14.2	14.2	b/

Foreign prices converted at prevailing rates of exchange.
a/ Quotation as of following day. b/ No quotation.

Cheese: Price per pound in New York and London for one day each week, November and December, 1931, with comparisons

Market and description	1931							1930
	Nov. 5	Nov. 12	Nov. 19	Nov. 26	Dec. 3	Dec. 10	Dec. 17	Dec. 18
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
New York, single daisies	15.1	14.4	14.5	a/14.5	14.2	14.2	14.2	17.4
London -								
Canadian, white	11.7	11.7	11.6	11.0	10.0	10.2	10.1	16.7
" colored ..	11.9	12.1	11.8	11.0	10.0	10.2	10.0	16.5
New Zealand, white ..	11.6	11.7	9.5	10.1	10.0	9.5	8.6	13.2
" " colored	11.5	11.4	10.9	9.8	9.4	9.1	8.6	12.9

a/ Quotation as of November 27.